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Despite Botha Speech, Reagan Rejects Coercion of Pretoria

Robert C. McFarlane

By David Hoffman
Washington Post Service

SANTA BARBARA, California — President Ronald Reagan "remains optimistic" about promoting change in South Africa through persuasion rather than coercion, according to White House officials, although some of them expressed disappointment over the speech last week by President P.W. Botha.

When key foreign policy advisers telephoned Mr. Reagan at his ranch after Mr. Botha's speech to *read him a statement of reaction* they had written, the president toughened the language to call for an end to apartheid.

But, the officials added, Mr. Reagan did not voice disappointment. The president — who is at his ranch and did not watch Mr. Botha's televised speech — said he wanted to wait and see whether negotiations took place.

One official described Mr. Reagan's reaction as characteristic of his tendency to find a ray of optimism amid what may seem to others to be a major setback. It was consistent with his view that, although apartheid is repugnant and should be changed, the U.S. should not push South Africa's leaders into making changes that could destabilize the nation.

South African police arrested 152 persons and reported the deaths of two blacks. Page 2.

Even as they described Mr. Reagan's views, some White House officials were critical of the week's developments in South Africa. One called them "very disappointing" and a "missed opportunity."

On Thursday, Robert C. McFarlane, the president's national security adviser, said that the reaction of South African blacks would be the most important measure of the speech.

Later, noting the sharp criticism of Mr. Botha's address by Bishop Desmond Tutu and others, a White House official said it appeared the speech had failed to bring negotiations any closer.

"They haven't achieved what they had hoped," he said.

Some officials also have said in private that the South African government mishandled events by first raising expectations of dramatic change and then dashing them.

The expectations were created in part at a Vienna meeting between Foreign Minister R.F. Botha and Mr. McFarlane.

In that session, the foreign minister made a "persuasive, credible presentation" that reforms were "necessary and right," according to a participant.

Asked why the speech had failed to live up to expectations of reforms, the participant said there were two explanations.

The first, a cynical explanation, he said, is that Mr. Botha shied away from sweeping concessions because he believed "the ballyhoo of it would have brought such a

(Continued on Page 2, Col. 1)

South Africa's Rubicon: Racial Reform or Bluff?

By Alan Cowell
New York Times Service

JOHANNESBURG — When President Pieter W. Botha spoke Thursday to white followers in Durban about what he calls "racial reform," he declared that South Africa was crossing the Rubicon. The message that there was no turning back was not lost on blacks, either.

But where Mr. Botha seemed to give whites a vision, or a chimera, of a new nation on the other side of the divide, the signal to blacks was different.

Excluded last year from a new Parliament that gave a role to Asians and people of mixed race, and with some black townships under virtual police siege, some blacks saw the speech as possibly the final rebuff.

His talk struck many as a distillation of intransigence heralding war, *not peace, and a sign that* South Africa's leader would not *talk to those blacks consider* leaders of equal or greater stature, such as Nelson Mandela.

What Mr. Botha said at the Natal congress of his National Party was what he had offered since January, without enacting: a place for urban blacks in some kind of undefined political "structures," some form of citizenship for blacks who are not in the so-called homelands and "co-responsibility and participation" in a multiracial future.

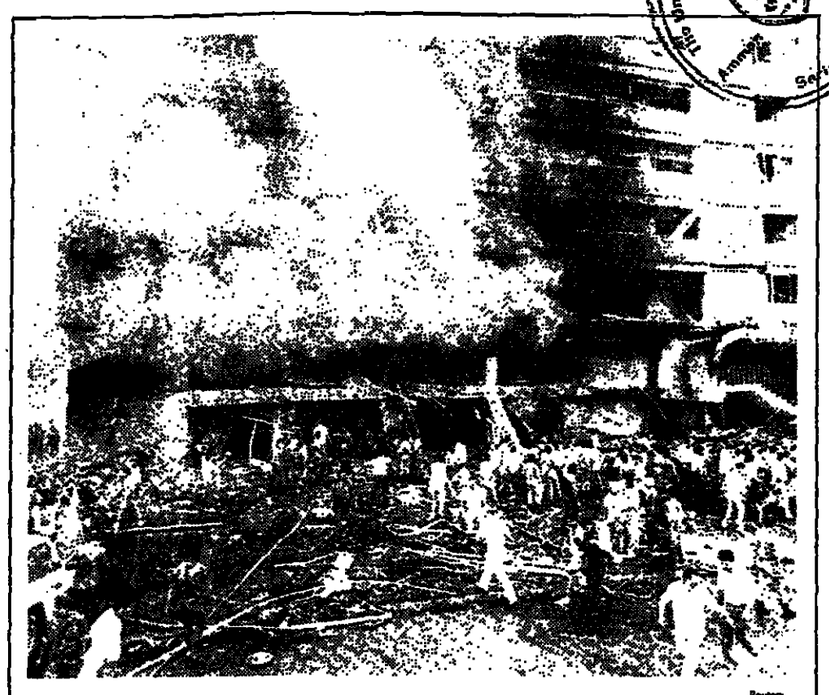
But he made clear that those changes were based on apartheid's premise that there is no black majority in South Africa, only a series of tribal and ethnic minorities, none of which may dominate another. This means that white control will not be swamped by black rule.

NEWS ANALYSIS

Moreover, he said, the deal would be cut with "elected" black leaders, those given the status in the limited bodies that whites have made available to blacks as appendages to white supremacy.

Historians may come to see Mr. Botha's speech as the point when black hopes withered. It may have been the moment that crystallized the division between an Afrikaner elite — convinced that force would bring black quiescence, as it did

(Continued on Page 2, Col. 3)



Reuters

BOMBING IN LEBANON — Fifty-four persons were killed when a car loaded with explosives blew up outside a crowded supermarket in Antelias, a suburb north of Beirut. The weekend bombing was the second in four days aimed at Christian civilians. Page 5.

Murphy Leaves Mideast; Did Not See Palestinians

The Associated Press

AMMAN, Jordan — Assistant Secretary of State Richard W. Murphy of the United States ended a Middle East tour on Sunday after apparently making little progress toward starting a new round of peace negotiations.

Mr. Murphy said that the United States remained willing to meet with a Palestinian-Jordanian negotiating team to help start a new Arab-Israeli peace process.

But Jordanian and U.S. officials, and the fact that no such meeting took place during Mr. Murphy's stay, indicated that obstacles remained to the meeting. Jordan has sought the meeting as a way to promote a peace drive by King Hussein.

Mr. Murphy met the king for the second time Sunday and then flew out of Amman, ending a six-day trip that took him twice to Jordan as well as to Israel and Egypt. A U.S. Embassy spokesman said he would stop in Europe before returning to the United States.

"The objective remains to chart a feasible and expeditious course for the entire process — not just one meeting," Mr. Murphy said in a prepared departure statement.

"The U.S. remains willing to hold a meeting with a joint Jordanian-Palestinian group if it contributes to launching us on such a course," the statement added.

Jordan's foreign minister, Taher el-Masri, responding to the statement, said that such a meeting would have a positive influence on efforts to start a peace process.

"Things were not going as fast as we thought they would, but there is still a chance," Mr. Masri said.

Israeli leaders strongly objected to any meeting that did not involve *Israel and complained that most of* the Palestinians proposed for the *meeting were members of the Pal*estine Liberation Organization.

U.S. officials have said they would take part in such a meeting only if it led to direct peace talks with Israel.

Neither Jordanian nor U.S. officials, however, gave any sign of compromising on their stands. Jordan insisted on an international conference and the United States on direct talks.

"There will be no direct negotiations with Israel *before the conference* is held," Prime Minister Zaid Rifai of Jordan said Saturday.

Mr. Murphy, in his statement, said he had a "frank and detailed exchange of views with the leaders of Jordan, Israel and Egypt," and added: "These leaders are urgently seeking ways to advance the cause of peace."

Mr. Masri said the United States had not said whether it would accept a proposed list of Palestinian *delegates for the meeting.*

The seven names were worked out by King Hussein and the PLO chairman, Yasser Arafat, to skirt a U.S. ban on contacts with the PLO

(Continued on Page 2, Col. 4)

New Threat Seen From West German Terrorists

By William Drozdiak
Washington Post Service

BONN — West Germany's most notorious terrorist group, the Red Army Faction, has obtained large amounts of money, weapons and explosives and seems poised for a more ruthless offensive against U.S. and allied military targets in Europe, police and security officials say.

The latest attacks in West Germany have worried the authorities because they have been aimed at random killing of the maximum number of people. In the past, the Red Army actions were limited to military property or were targeted against particular individuals such as judges, bankers, officers and industrialists.

The resurgence of the Red Army guerrillas has surprised law officials, *who said they believed that* the group was close to extinction in 1982 after the capture of three organizers and the seizure of large caches of weapons.

The nucleus of the group is said to have doubled to about 20 zealous, committed persons. They can rely on shelter and passive support from hundreds of sympathizers who share their class warfare and anti-NATO views.

Security and intelligence officials say the guerrillas have rebuilt a major arsenal through raids on gun shops and explosives storage sites such as stone quarries.

They are said to have obtained nearly 100 guns, including powerful rifles that fire fragmenting bullets, and hundreds of pounds of explosives.

The Red Army Faction also is believed to have amassed more than $1 million through bank robberies or payoffs in abductions, said the officials.

Also, the group has established links with radicals in other European countries, such as Direct Action in France and Fighting Communist Cells in Belgium.

Efforts to thwart the terrorist network by tightening cooperation among European governments have not succeeded.

The West German and Italian police complain that their French counterparts do not pursue terrorist suspects, who have found a haven because of the long tradition in France of granting asylum. More than 120 members of the Italian Red Brigades are believed to be in France. The French government has said that many of them, in the eyes of French law, are not guilty.

After the murders of General René Audran of France and a West German industrialist, Heinz Zimmermann, were claimed by the Red Army Faction and Direct Action early this year, Paris and Bonn announced cooperative measures to combat terrorism, including a special hot line to exchange information.

But West German officials say they have been disappointed because the French have not shown a willingness to use computers or other modern methods in tracking terrorists. As a result, the West German police say, the trail usually goes cold whenever a suspect crosses into France.

The latest terrorism campaign began in December, when a prison hunger strike by 30 Red Army Faction members provoked a wave of bombings and arson aimed mainly at property linked to the North Atlantic Treaty Organization.

Officials surmise that the jailed guerrillas, who include original Red Army leaders such as Brigitte Mohnhaupt and Christian Klar, have been able to send out mes-

(Continued on Page 2, Col. 6)

Counterterrorism Plan Proposed by State Dept.

By Joanne Omang
Washington Post Service

WASHINGTON — The State Department has proposed a $53-*million* "regional counterterrorism program" for five countries in Central America as part of its response to the murders last May in El Salvador of 13 persons, *including four* U.S. marines and two U.S. businessmen.

In a memo marked "confidential" to Robert C. McFarlane, President Ronald Reagan's national security adviser, the department described the program as one of four options for a supplemental appropriations request.

U.S. aides say Washington's quarrel with the Sandinists cannot be resolved. Page 3.

The proposal would provide $27 million in military support and $26 million in police training funds to El Salvador, Honduras, Costa Rica, Guatemala and Panama "with a view towards improving counterterrorism capabilities of the *host governments,*" the memo said.

Congressional critics have expressed concern that the proposal is an excuse to funnel additional *military* aid to a region where Congress has been careful to limit U.S. involvement.

Officials said Mr. McFarlane was expected to approve the program for submission to Congress later this *month.* Congressional sources made a copy of the draft available to The Washington Post.

Drafted shortly after the May 19 shooting in El Salvador, *the memo* included as one option a $481.7-million Defense Department "wish list" that would make up all the military and economic aid for the region trimmed by Congress over the past three years.

That version, listed as being preferred by the Pentagon and the Joint Chiefs of Staff, would be "a dramatic reaffirmation of our determination" to defend the region from Soviet influence, the memo said. The Central Intelligence Agency "favors a more narrowly focused program," the memo said.

A senior Defense Department official said its recommendation "*has been superseded*" by subsequent proposals. But he indicated there was "general agreement" that the Central American part of the program should follow the State Department proposal.

A senior State Department official said changes had been made in the memo to ensure compliance with laws aimed at making certain that national police forces did not receive U.S. military aid to use *against* their own citizens.

Training in intelligence collection and analysis, bomb detection and defusing, hostage rescue, surveillance and countersurveillance, border security and "basic law enforcement" would be provided, it said.

The largest part of the funding, $22 million, would go to El Salvador, where the memo said preparations against terrorism were "woefully inadequate."

President Reagan had promised a *crackdown* on terrorism after the May attack that killed 13 persons *sitting* at an outdoor café in San Salvador. Responsibility for the shooting was *later* claimed by a leftist rebel group.

Under the proposal, Guatemala would get $5 million, of which $3 million would *be for police equipment* and training and $2 million for military assistance.

Panama would receive $6 million and Costa Rica $9 million, including $3.5 million for a Bell 212 helicopter. Honduras would receive *$11 million.*

■ **Protest in Honduras**

Honduran civilian leaders demanded Saturday that the government halt joint military maneuvers with the United States, United Press International reported from Tegucigalpa.

Leaders of political, Roman Catholic, student, teacher, labor and peasant groups in the province signed a letter to the Honduran congress, to President Roberto Suazo Córdova and the armed forces commander, General Walter López Reyes, demanding that the operation be canceled.

INSIDE

The Associated Press

Paramedics aided victims of a toxic chemical leak Aug. 12 at the Union Carbide factory in Institute, West Virginia. At least 135 area residents were treated for injuries.

Pollution Tales Fill 'Chemical Valley'

But West Virginians Rally in Support of Union Carbide

By Ben A. Franklin
New York Times Service

CHARLESTON, West Virginia — In the contemporary folklore of "the chemical valley" of the Kanawha River, maroon cars turn iridescent blue and blue cars turn metallic maroon.

In the vapors of strong chemical nights, aluminum storm doors weld shut, and in the morning mists, after overnight sulfuric acid spills, the nylon panty hose of women walking to work suddenly unravel at the knee.

These tales floated from saloon to saloon last week in downtown Charleston. The point was, native Charlestonians said, that if you didn't believe that these things happened, something like them doubtless did.

Take, for example, the verifiable dissolution of the statue of St. Anthony standing outside the Roman Catholic church at Boomer, located on the north bank of the Kanawha along U.S. Highway 60, near Alloy, West Virginia.

According *to the Reverend Gene Weber,* the priest in charge at Boomer, when the Union Carbide Corp. ran the chemical plant at Alloy, which is now owned by another corporation, the forearm of St. Anthony rotted off the torso and plopped to the ground.

Union Carbide, which is the largest employer in the valley, paid to mend the arm. Against St. Anthony's progressive demise and the loss of an*other limb,* the company had provided a transparent plastic box for the prosthetic saint.

Father Weber *said that the protective plastic* display case also was attacked by, and filled by, *chemical fumes. Under sunlight, the air inside* turned into a corrosive atmosphere. Eventually, the whole statue had to be replaced.

How much of the Kanawha Valley will wilt or melt or molt under the acrid emissions of the chemical industry here became a community issue on Aug. 11, when a toxic chemical leak at Union Carbide's Institute plant sent *135* people to hospitals with burning eyes, nausea and breathing difficulties.

The chemical industry has been operating in the Kanawha Valley since World War I, when the natural confluence of water, coal, natural gas, brine and limestone thrust it into the war effort as the nation's explosives producer.

The Monsanto Co. plant, which now produces chemicals for the rubber industry, is at Nitro, a town named for and created to manufacture nitroglycerine.

Not surprisingly in West Virginia, where loyalty to the company reflects a near-15 percent unemployment rate and a xenophobic tradition of resentment at national publicity of its problems, there are two sides to the chemical debate.

Union Carbide is virtually the only employer in South Charleston, and pays average wages of more than $30,000 a year. A week of bad news like the last one with the leak at the Institute plant and *then a second, nontoxic but foul-smelling leak* at the South Charleston works on Aug. 13, makes loyal employees defensive.

When the company comes under scrutiny, communities stage "I Love Carbide" parades down Main Street.

[About 400 people, many wearing caps reading "*West Virginia loves Union Carbide,*" marched Saturday in support of the company, United Press International reported from *South Charleston.* The parade was led by children who wore T-shirts saying, "Kiss a Carbider Today."

[Mayor Richie Robb of South Charleston said it is important for his city to show support for the

(Continued on Page 2, Col. 7)

Belgian Tanker Is Damaged in Gulf; Strike Seen as Iran's Reply to Iraqi Raid

Compiled by Our Staff From Dispatches

MANAMA, Bahrain — A Belgian-registered oil tanker was attacked Sunday by planes in the Gulf. Shipping sources said that *the attack probably was retaliation* by Iran for raids last Thursday by Iraqi aircraft on the Kharg Island oil terminal.

"*I have been attacked by planes,* hit near the funnel," the Naess Leopard radioed in a distress call monitored here.

The shipping sources said that the ship radioed at 10:06 A.M. that it was 25 miles (40 kilometers) east of northern Qatar when hit. This is an area where Iranian aircraft have struck at least 18 vessels.

One source said that tugs were alongside the Naess Leopard but the tanker was able to proceed. There was no word of casualties *among the crew, most of whom* were thought to be Belgian.

*Marine salvage companies, ex*pecting that Iran might retaliate for the attack on the Kharg Island oil terminal by striking at commercial *shipping, deployed more than a* dozen tugs in the southern sector of *the Gulf,* The Associated Press reported.

Shipping sources said that the Naess Leopard, a recently commis*sioned vessel whose owners could* not be immediately learned, was believed to have been at Sirri Island, an improvised oil terminal, to *unload U.S. kerosene for Iran.*

They said the ship was on a head*ing when attacked that suggested it* was bound for one of the terminals *higher up the western side of the* Gulf to load.

The shipping officials said the attack, the 31st this year against *Gulf shipping, appeared to have* been the first successful Iranian attack *since June 1, when a Hong* Kong container ship was hit.

One crewman died and two were reported missing in that attack, when two rockets slammed into the living quarters of the 15,002-ton Oriental Importer.

Last month, two tankers, one British and the other Greek, reported attacks by missile-firing Iranian helicopters. Neither was hit.

Iran and Iraq have struck about 100 tankers and other merchant *vessels since the so-called* "tanker war" started early last year with a *drive by Iraq to blockade Kharg* Island and strangle the oil exports that Iran needs to finance its war.

Arab diplomatic sources said Kuwait put its armed forces on maximum alert when the Iraqis struck Kharg. They said Saudi Arabia's defenses in the eastern province also were alerted.

Oil and shipping industry sources awaited firm evidence of the extent of damage to loading facilities at Kharg Island, which Iraq said was "reduced to ashes."

Independent oil and shipping sources in the Gulf say several ships had been hit, including a Maltese-flag tanker, and that one loading jetty on the east of the island was damaged in the raid.

Shipping sources said that despite damage to the loading facilities at Kharg, tankers were berthing at the facility's makeshift jetty and loading without difficulty.

In a comment, an Iranian diplomat in Istanbul dismissed the attack as unimportant, and repeated a Tehran threat to close the Gulf to shipping if Kharg was ever seriously damaged. *Iran has threatened to* blockade the Strait of Hormuz at *the Gulf entrance.*

Most of the Iran's oil exports have been moved from Kharg Island by tankers chartered by Iran to supertankers moored off Sirri, to enable its customers to load out of range of Iraqi warplanes.

Iran probably had enough crude at Sirri or on tankers en route for it *to maintain supplies for about five* days. Any drop thereafter would *indicate that Iran has had to cut its* exports, the shipping sources added.

In Baghdad, President Saddam Hussein decorated nine pilots on Saturday for their part in the raid on Kharg Island and he described the attack as "a major historical act."

Quoted by the official Iraqi news agency, Mr. Hussein said that the *raiding planes had met no opposi*tion and suffered no losses. Iran said it shot down one Iraqi aircraft.

Mr. Hussein said Iraq had delayed a major attack on Kharg to leave the door open for Iran to respond to peace overtures. "But we found that the Iranian regime does not care for its property or wealth or even for Iranian blood," he said. *(Reuters, AP)*

Sri Lankan Peace Talks Collapse; Unrest Spreads

Compiled by Our Staff From Dispatches

COLOMBO, Sri Lanka — Peace talks between government officials and minority Tamil rebels fighting *for a separate state have collapsed,* and fresh fighting erupted Sunday *on this island nation.*

Ethnic violence, which has steadily escalated over the past three days leaving an official death toll of 71, ended peace talks Saturday in the Himalayan kingdom of Bhutan despite Indian efforts to keep negotiations going.

Reports conflicted about atrocities involving several hundred civilians killed by Sri Lankan troops *and guerrillas.*

President Junius Jayewardene put security forces on alert and extended a state of emergency as majority Sinhalese and minority Tamils fled centers of violence.

The Eelam National Liberation Front, an alliance of four major rebel groups, said it was calling off a two-month cease-fire and pulling out of the peace talks. The group said government troops had killed 200 Tamils in a raid Saturday near Trincomalee on the northeast coast of the island.

Anandatissa De Alwis, the information minister, described the charge as "a total invention" and said the rebels had used the alleged incident to sabotage the peace talks.

However, Veluppillai Balakumar, a rebel spokesman, said in a telephone interview from the southern Indian city of Madras, "We have got pictures of the massacre."

According *to guerrilla groups,* the incident occurred when residents of two villages were pulled out of their homes, lined up and shot.

Mr. De Alwis said 37 fishermen

(Continued on Page 2, Col. 7)

152 More Arrested in South Africa; 3 Blacks Are Killed in Latest Unrest

By Alan Cowell
New York Times Service

JOHANNESBURG — The South African police reported Saturday that they had arrested 152 persons, one of the highest numbers of detentions in a single day since a state of emergency was declared in July. The police also said that two more blacks had been shot to death in violence in segregated townships across the country.

Near Cape Town, the homes of two mixed-race legislators in South Africa's Parliament were firebombed early Saturday. The homes are near a settlement for mixed-race people where a grenade attack killed one person earlier last week.

[Isolated rioting erupted in black townships Sunday and a black woman was killed when she was run down by a truck that was being chased by looters, the police said, according to an Associated Press report from Johannesburg.

[Parts of Soweto township outside Johannesburg and other black areas around South Africa were put under a 10 P.M. to 4 A.M. curfew Thursday, but Soweto's streets were full of people late Saturday and early Sunday, visitors said.]

The authorities gave no reason for the surge in detentions, which brought to 938 the number of people, most of them black, held under the emergency decree. In the early days of the decree, arrests were running about 200 a day. The arrests had gradually decreased. Government reports say that 1,022 people have been released since the detentions began.

The latest arrest and fatality figures indicate little or no easing in South Africa's racial conflict since President Pieter W. Botha renewed an offer Thursday of limited changes supposed to embrace urban blacks in undefined political structures while perpetuating white separation and "self-determination," a code word for white dominance.

The emergency was declared after 10 months of violence in which 500 people, all but two of them black, died. Since the decree, the violence has spilled beyond areas affected by the earlier unrest, and the death toll since the proclamation took effect at midnight July 20 has increased by more than 120.

Since last September, virtually all of the confrontations have been between the police and black demonstrators or mobs in black townships.

■ **ANC Threatens Whites**

Oliver Tambo, president of the African National Congress, pledged Saturday to step up the guerrilla movement's struggle against the South African government and said that "many white people will lose their lives," United Press International reported from Lusaka, Zambia.

Mr. Tambo said that Mr. Botha's speech Thursday was "an arrogant reaffirmation by P.W. Botha that the apartheid system will continue unchanged."

In a statement released by the guerrilla organization's offices in Lusaka, Mr. Tambo said that Mr. Botha had "flung an insult in the face of his best friends internationally." The West should realize, Mr. Tambo said, that there was no way "of influencing change in South Africa other than through the imposition of sanctions."

Of the U.S. approach to South Africa, he leader said: "Those who have tied themselves to the policy of so-called constructive engagement are now reaping the fruits of a policy which has encouraged the obduracy and arrogance of the apartheid regime."

Despite Speech by Botha, Reagan Rejects Coercion

(Continued from Page 1)

strong backlash" from whites that he would have been forced to retreat.

The second, more optimistic, the official added, is that South Africa is committed to negotiated changes but wants to hold off on concessions now so they could be used as "leverage" later. He said the South Africans may have wanted to let black leaders announce the changes and take credit.

The official indicated he gave more weight to the first explanation than to the second.

The disappointment in the Reagan administration also reflected exasperation with South Africans. "They are so different," one aide said of the whites. "They won't bend an inch if they think their basic values are threatened."

White House aides said they learned the night before Mr. Botha's address that it was not going to meet the expectations for sweeping reform. They said that Mr. McFarlane then set to work with others to draft a reaction.

The next day, Mr. McFarlane listened to Mr. Botha's address and then telephoned Mr. Reagan at his ranch, in a conference call that included Secretary of State George P. Shultz and Vice President George Bush. They told Mr. Reagan what President Botha had said.

It was during this call that Mr. Reagan suggested the statement be toughened to say apartheid should be ended, adding that the United States should avoid direct criticism.

Mr. Botha's speech is expected to intensify pressure in Congress for economic sanctions on South Africa, a move opposed by Mr. Reagan. The Senate is expected to take up sanctions in September. While Mr. Reagan has not made a final decision, some officials say they think he will veto a sanctions bill. Supporters are confident they can override a veto.

■ **Envoy Sees Misperception**

South Africa's ambassador-designate to the United States said that Mr. Botha's speech had been badly misunderstood, Reuters reported from Washington.

"What he announced — and what is missing here in the media perception — was a major deviation from the political status quo," said Herbert Beukes, named as ambassador but not yet officially received by the United States.

The diplomat said in an interview that Mr. Botha had accepted the concept of political participation for blacks, the right of black homelands to remain part of South Africa and citizenship for those living in these "national states."

The envoy said he saw his most immediate task as restoring "some form of respect" between South Africa and the United States.

Sanctions would be an unproductive punishment, he said, adding: "As long as they antagonize us, they cannot influence us."

Reuters

PERUVIAN REBELS — Members of the Tupac Amaru organization met with journalists at a secret location and offered the new government of President Alan García Pérez a partial truce, while hinting at further attacks against U.S. targets in Peru.

Murphy Ends Mission to Middle East Without Meeting With Palestinians

(Continued from Page 1)

while giving the organization a voice in the process.

One of the Palestinians proposed for the meeting, an East Jerusalem newspaper editor, Hanna Seniora, said that Mr. Murphy's failure to meet the Jordanian-Palestinian team was "a missed opportunity."

"They have left the door open," he said. But in the future, "the conditions may not be as favorable as now," he added.

Mr. Seniora complained that "America's foreign policy is being made in Tel Aviv and not Washington," a reference to U.S. concern over Israeli objections to the planned meeting.

■ **Jordanian-PLO View**

Judith Miller of The New York Times reported Saturday from Alexandria, Egypt:

After meeting with President Hosni Mubarak in Alexandria, Mr. Murphy said that talks with the Egyptian leader concentrated on peace issues, "problems of the moment," and U.S.-Egyptian relations.

Officials close to the peace process found little ground for optimism. Israeli officials indicated when Mr. Murphy was in Israel that little progress had been made.

Jordan and the PLO, which signed an agreement Feb. 11 outlining a joint bid for peace, envisage a process that would begin with a meeting between U.S. officials and a joint Jordanian-Palestinian delegation.

This, in their view, would then lead to a Jordanian call for simultaneous "exchange of commitments." The PLO would recognize Israel's right to exist, as outlined in United Nations Security Council Resolutions 242 and 338, which call for Israel to return territory it occupies in exchange for the right to live within "secure and recognized borders."

The United States would then recognize the PLO, its right to self-determination, endorse the concept of a Palestinian state federated with Jordan, as well as the inclusion of the PLO directly in peace talks. The final stage would be an international peace conference, sponsored by the permanent members of the Security Council.

U.S. and Arab officials agreed that the United States was reluctant to take the first step — that is, to meet with the joint Jordanian-Palestinian delegation — if this would lead only to U.S. recognition of the PLO, but not to broader peace talks between Israel and the Arabs.

Racial Reform: South Africa Rubicon

(Continued from Page 1)

after Sharpeville in 1960 and Soweto in 1976 — and a radicalized movement among black youth and black unemployed, sensing victory through confrontation.

There are self-perceptions and interpretations that preclude Mr. Botha from seeing his township foes as anything other than barbaric revolutionaries, and which keep his adversaries from seeing him as anything other than a tyrant out to perpetuate white power.

If Mr. Botha freed Mr. Mandela unconditionally, he would be releasing a man committed to the death of everything the president stood for. Most blacks would probably view the release as a willingness to talk. Mr. Botha's white rivals and supporters would call it abdication and surrender.

The complexities also extend to what seems to have been a bungled attempt by some South African officials to manipulate senior U.S. officials who met with them recently in Vienna and news organizations into believing that the Durban speech would be about momentous changes.

At briefings in South Africa and elsewhere, some journalists were given an impression, apparently by both South African and U.S. officials, that Mr. Botha would announce changes such as the scrapping of tribal "homelands" and the creation of common citizenship.

South African commentators attributed that impression to Foreign Minister R.F. Botha, who led the delegation to Vienna.

The result was a collision between expectations and realities. Mr. Botha could not deliver what had been expected.

After the Durban speech, critics of the government judged his proposals not by their departures from apartheid but by the shortfall between them and the more fundamental change that Mr. Botha is not prepared to countenance.

At one point, he said, "Let me state explicitly that I believe in participation of all the South African communities on matters of common concern." The audience, uncertain what this meant, was silent.

"Why don't you cheer me now?" Mr. Botha asked. The answer seemed to be that the whites, unnerved by the township violence and uncertain of where Mr. Botha was leading them, had nothing to cheer about.

The focus of what are still proposals, since none that affects blacks has yet gone into effect, is that survival through separation has been overtaken, and that new ways must be found to ensure that whites in general, and Afrikaners in particular, maintain dominance.

Mr. Botha, in his speech, seemed to be saying that there was yet time to achieve all this and, acting by raw force in the townships and through co-optation of "moderate" blacks, undercut the protesters.

"He had the world at his feet," said an editorial in The Star, the Johannesburg paper, "and he spoke almost exclusively to the Natal Party Congress. There is hardly a smaller audience on earth. Instead of rising to the challenge, the nation's leader retreated into an insecure shell."

Wider Peril Seen From Terrorists

(Continued from Page 1)

sages through their lawyers to other terrorists.

The overall direction of operations is said to have passed to three women: Inge Viett, Sigrid Sternebeck and Silke Maier-Witt. A man, Ekkehard von Seckendorff-Gudent, also is said to be important in planning attacks.

The new leaders appear to have been trying to attract recruits by emphasizing attacks on U.S. and NATO-related targets to exploit lingering dismay over the failure of nonviolent protests to stop the deployment of new U.S. Pershing-2 and cruise missiles in West Germany.

"The argument they make is that since peaceful action did not stop the missiles from coming, violent methods are now necessary," said an official of the Ministry of Interior. "There are some people, who ordinarily would not be terrorists, who are ready to accept that line of thinking."

New members are believed to have assisted in attacks on property, such as the two dozen minor arson and bombing attacks on NATO fuel pipelines. Some explosives and firebombs failed to go off because of amateurish faults, the police said.

Last week, cleaning women aboard a U.S. military train discovered blankets drenched in flammable liquid that had failed to ignite because of an improperly rigged triggering mechanism.

But recent murder plots and car bombs have shown a degree of technical skill that could be carried out only by trained people.

The murder of a 20-year-old U.S. soldier on Aug. 8 and a car bombing at the U.S. Rhein-Main Air Base a few hours later, in which two Americans were killed and 20 were injured, demonstrated a more ruthless attitude and a more effective use of explosives than had been shown before.

The police now are pursuing the hypothesis that the soldier, Edward Pimental, was murdered so that his military identity card could be used to gain access to the air base, where the explosives-laden car was driven and left.

WORLD BRIEFS

Near-Miss Involving Thatcher Reported

LONDON (Reuters) — An airliner had to take emergency action last month to avoid colliding with a helicopter carrying Prime Minister Margaret Thatcher, British newspapers reported Sunday.

A spokeswoman for Britain's Civil Aviation Authority confirmed that an investigation was under way into an incident on July 25 involving a helicopter and a British Airways Boeing 757 bound for Frankfurt with 126 people on board.

Two Sunday newspapers said that the British Airways crew had to slam on the airplane's brakes to avoid taking off in the path of a Royal Air Force helicopter about to land at Heathrow Airport. Mrs. Thatcher and six members of her staff were on board the helicopter, the Sunday Express and Mail on Sunday newspapers said. A spokeswoman for Mrs. Thatcher confirmed that the prime minister did fly to Heathrow on that day in a helicopter to board a plane for Washington.

Foreign Laborers Expelled by Libya

TUNIS (Reuters) — The expulsion of thousands of foreign workers from Libya will continue to help Libya overcome economic problems and redistribute its domestic work force, a Libyan Embassy official said Sunday.

Mohammed Sadok Abouda, the Libyan chargé d'affaires in Tunis, said that the foreign workers affected were mainly Egyptian and Tunisian, while Moroccans and Palestinians could stay. He said the expulsions stemmed from economic decisions made by the General People's Congress, or parliament, in 1982. Libyans working in administration were to be moved to work in factories and agriculture to improve productivity, he said.

About 16,000 of the 92,000 Tunisian workforce has been expelled from Libya in recent weeks, the Tunisian news agency, TAP, reported. About 830 Egyptians arrived in Alexandria from Libya on Sunday and another 500 traveled by truck into Egypt, to the border town of Salum.

UN Unit Becomes Separate Agency

VIENNA (AP) — The United Nations Industrial Development Organization officially became a separate UN specialized agency when a Filipino diplomat, Domingo Siazon, was confirmed as its director-general.

The organization's general conference Saturday confirmed Mr. Siazon after the 53-member Industrial Development Board, the top executive organ, broke a three-day deadlock on a replacement for Abdel Rahman Khane of Algeria. The board agreed to discard a rule requiring a two-thirds majority for election in favor of a simple majority, and on Friday voted for Mr. Siazon. The two other candidates were Jorge Eduardo Navarrete of Mexico and Edebayo Adedeji of Nigeria.

Seoul Delays Bill on Student Protest

SEOUL (Reuters) — The South Korean government, in the face of stiff opposition, is postponing the introduction of a law aimed at curbing student protests.

The Democratic Justice Party of President Chun Doo Hwan had planned to pass the bill at a special parliamentary session later this month. But the party chairman, Roh Tae Woo, said Saturday that it would be introduced at a regular session in late September.

Under the proposed law, radical students could be sent to "reorientation centers" for up to six months. The New Korea Democratic Party, the main opposition party, and dissidents have demanded the bill be withdrawn, saying that it is unconstitutional.

President Chun Doo Hwan

Generals Check Foreign Legion Brawl

PARIS (Reuters) — French Foreign Legion troops were involved Saturday in violence in the port of Kourou in French Guiana, in which one Legionnaire was killed and 19 people, mostly Legionnaires, were injured. Paris sent two generals Sunday to investigate the incident.

The violence began when 50 soldiers, members of a regiment that guards France's space center north of here, stormed a district of the town, attacking residents and smashing windows.

The troops were said to have been angered by a rumor that a missing comrade had been murdered in the district. Witnesses said residents, fearful of attack, fired shotguns at the soldiers, killing one. The violence, described as a "serious act of indiscipline" by Defense Minister Charles Hernu, follows a series of brawls between Foreign Legion members and residents. French Guiana is an overseas department of France.

Reagan Urges Restraint on Farm Bill

SANTA BARBARA, California (NYT) — President Ronald Reagan said in his weekly radio address that the answer to farmers' financial problems could not be found "in sticking with discredited programs and increasing government controls." He urged Congress to restrain spending on farm support programs.

In his remarks, delivered Saturday from his ranch near here, Mr. Reagan sought to underscore his concerns over a four-year agriculture bill Congress is writing to take effect next year. Both the House and Senate Agriculture Committees are considering legislation that could exceed spending targets Congress set two weeks ago.

For the Record

Benazir Bhutto, the Pakistani opposition leader and daughter of the former Prime Minister Zulfikar Ali Bhutto, said she would fly home from exile in London on Tuesday with the body of her brother Shahnawaz. He was found dead July 18 in his apartment in Cannes, France. *(Reuters)*

An underground nuclear test was conducted Saturday in Nevada, the first American test since U.S. officials rejected last month a Soviet offer to join in a test freeze. A U.S. invitation to Moscow to send observers to Saturday's test was rejected. *(Reuters)*

Basque guerrillas claimed responsibility for the killing Friday of a French restaurant owner in the Spanish Mediterranean resort of Castellón de la Plana. *(Reuters)*

Corrections

Because of an editing error, an item in the Business People column in some editions of Aug. 17-18 incorrectly identified Générale de Banque SA of Brussels.

A Business People column July 12 incorrectly identified the manager of SPL Deutschland Systems Programming GmbH near Frankfurt. Hans-Jergen Seebald has been named to that post.

Sri Lankan Unrest Spreads

(Continued from Page 1)

belonging to Sri Lanka's majority Sinhalese community were found murdered in the Trincomalee region. The government accused Tamil guerrillas of abducting the fishermen last Monday.

Tamil guerrillas commandeered a train Sunday with 500 passengers on board near the northwestern coastal town of Mannar, railroad authorities said. The five-hour hijack ended when the driver derailed the locomotive purposely outside the town of Anuradhapura, about 125 miles (200 kilometers) northeast of Colombo, a railway spokesman said.

Before escaping, the rebels abducted 15 train passengers belonging to the majority Sinhalese community and later shot them near Madhy railroad station, according to an unconfirmed dispatch from a reporter in the area.

Mr. De Alwis said he expected the peace talks aimed at ending the country's two-year ethnic crisis to resume Monday.

(AP, Reuters)

Residents Rally for Carbide

(Continued from Page 1)

company because 60 percent of the city's revenue comes from taxes paid by the company.]

Even some of Union Carbide's sharpest critics among the faculty of West Virginia State College, whose campus is side by side with the plant at Institute, saw a hopeful opportunity in the recent problems.

Paul Nuchims, an art professor at the college, proposed staging a "Great Chemical City Festival" and establishing a chemical museum.

The leak at Institute on Aug. 11 loosed a cloud of chemicals identified in tests by federal investigators as 65 percent methylene chloride, a solvent widely used as a paint remover, and 35 percent aldicarb oxime, a pesticide ingredient.

Methylene chloride was placed under a special review by the Environmental Protection Agency in May after laboratory tests linked it to unusual numbers of malignant lung and liver tumors in mice. Aldicarb chloride is called a "severe eye irritant" by Union Carbide.

Pope Assails Polygamy, Birth Control

The Associated Press

NAIROBI — Pope John Paul II assailed polygamy and contraception Saturday and then married 25 couples from across Kenya, where the government is promoting birth control to reduce population growth.

Preaching in a country where men frequently have more than one wife and where each mother has an average of eight children, the pontiff said marriage should be "a communion of one man and one woman" and that "contraception and abortion are wrong."

The message brought polite applause from the 80,000 who filled Nyayo National Stadium for the wedding Mass.

"In the Old Testament, polygamy was sometimes tolerated," John Paul said. "But in the new covenant our savior restored marriage to its original state as a communion of one man and one woman."

The Mass was one of the highlights of the pope's visit to Nairobi, the next to last stop on a 12-day, seven-nation African pilgrimage.

On Sunday, the pope urged African Christians to help the poor, the homeless, the sick and the imprisoned at a Mass that drew a crowd estimated at up to a million.

He said Christ's love *must be* shared by all: "With the neighbor who is poor or homeless, with the neighbor who is sick or in prison, with the neighbor who belongs to a different tribe or race or who does not believe in Christ."

The Mass marked the end of the 43rd International Eucharistic Congress, the first held in black Africa. The spiritual conferences are held every four years and consist of liturgies, seminars and exhibits. This year's conference drew 6,000 delegates from 50 countries.

The pope said Saturday that husband and wife must "be ready with stout hearts to cooperate with the love of the creator and the savior, *who through them will enlarge and enrich his own family day by day.*"

"That is why anti-life actions such as contraception and abortion are wrong and unworthy of good husbands and wives," he said.

Kenya has a population growth rate of more than 4 percent, the world's highest. The government *has promoted artificial birth control* as part of a campaign to curb the growth rate.

The pope spent Saturday morning touring the 720-square-mile (1,864-square-kilometer) Masai Mara Game Reserve in southwestern Kenya.

During the 90-minute ride over bumpy, dusty roads, John Paul saw cheetah, giraffes, cape buffalo, elephants and a pride of lionesses and cubs *lolling beside a newly killed* wildebeest.

The Associated Press

Pope John Paul II watered a tree Sunday that he had planted moments before at the Uhuru Gardens in Nairobi.

■ **Papal Audience for Rhino**

E.J. Dionne Jr. of The New York Times reported from Nairobi:

Samia flew 210 miles (340 kilometers) just to see the pope.

Samia is a 6-month-old, 250-pound rhinoceros. She was flown specially to the Masai Mara reserve *Saturday to make sure the pope got* a chance to see a rhino.

Those attending Samia took special care to make sure she would not run away when *the pope* approached. They have been wearing white robes to get the rhinoceros used to the idea of a man in white. Sure enough, according to a *spokesman*, the pope got a chance to touch Samia.

The episode was testimony to the lengths to which black Africa has gone to receive John Paul. In city after city, his picture hung from light posts and buildings. Presidents flew him to their palaces and traveled *with him almost* everywhere he went.

In many countries the machines of the single ruling party went *to* work to turn out the crowds. At Niamtougou in northern Togo, several thousand people attended an airport welcome.

The same several thousand sat in the hot sun for five hours while the pope made his rounds, just to make *sure they were on hand to cheer* him when he left.

Ibrahim Daou, a leader of a delegation of Moslems, *said his* group was there to receive the pope's blessing. He then explained with a large grin, "Oh, we're all with the party." This was a reference to the Rally of the Togolese People, the party of President Gnassingbé Eyadéma.

Mr. Daou said that since many in the crowd had been bused in from far away, "there was no place for a lot of us to go, so we just sat here and waited."

There were many explanations as to why the African leaders went to so much trouble for John Paul.

To be sure, even when Catholics are a minority, they are a significant one and, thanks to the Catholic schools, often among the educated elite.

But much of it is the sheer prestige of being associated with the pope. Some presidents chose to *hang their pictures* next to his on podiums and light posts. Others, like General Eyadéma, just made sure they were always at his side.

Agca Judges Study Links to Turkish Underworld

By John Tagliabue
New York Times Service

BOCHUM, West Germany — *An Italian court has gathered evidence* in the Netherlands and West Germany that seems to lend credence to the view that the shooting of Pope John Paul II in 1981 was the work of a Turkish terrorist group with links to the Turkish underworld and to Bulgaria.

The hearings, by the court trying three Bulgarians and five Turks accused of plotting to kill the pope in May 1981, may be significant because a Turk imprisoned in West Germany, Yalcin Ozbey, is the only witness to corroborate Mehmet Ali Agca's contention that Bulgaria was behind the plot. Court officials left West Germany for Italy on Saturday.

However, Turkish reporters covering the case have expressed the *view that Mr. Ozbey may be embellishing* a few facts and names related to the case that are familiar to him either from dealings with the Turks involved or through news reports.

Mr. Ozbey, who is held on forgery and weapons charges, seconded Mr. Agca's account of a wide network of Turkish terrorists said to have been hired by the Bulgarian secret service to kill John Paul. Details of this network are among the new elements to emerge since the trial began May 27.

However, Mr. Ozbey, unlike Mr. Agca, says the Bulgarians left the Turks hanging, failing to pay a fee *of 3 million Deutsche marks* ($1.1 million).

Court officials concede that the value of the week's testimony hinges largely on the credibility of *Mr. Ozbey, which has been doubted* by Judge Ilario Martella, who questioned him 18 months ago as part of a pretrial investigation.

The Italian court officials, including Chief Judge Severino Santiapichi, traveled to the Netherlands on Aug. 8 to question Samet Arslan, a Turkish rightist who was arrested in May under circumstances that prompted Italian officials to presume some connection to the purported plot against the pope.

Mr. Arslan, who is sought in Turkey on terrorism charges, told *the Dutch police that he was in the* Netherlands to seek political asylum.

Officials are puzzled by his entry into the Netherlands on May 14, the last day of a visit by the pope, when tight security was in force. Mr. Arslan carried a badly forged passport and a pistol.

The Dutch police later traced the pistol to a batch of 21 weapons *purchased in Switzerland in 1980* by an arms enthusiast who smuggled them into Austria, where four guns were later acquired by Mr. Agca and his associates.

Numbers and letters etched on the handle of Mr. Arslan's gun matched similar markings on Mr. Agca's pistol. Mr. Arslan first told the police that his father had given him the gun. Later he said it had been planted on him by the Dutch police.

Mr. Arslan was carrying a rail ticket from Frankfurt to the Dutch border with a telephone number of a Turkish *video dealer in* The Hague scribbled on it. Italian officials said the number seemed to create a link to the rightist circles that supported Mr. Agca.

The dealer, Ali Tokman, first acknowledged then denied knowing Mr. Arslan. Mr. Tokman has denied any wrongdoing. In the Turkish immigrant community in the Netherlands, he is regarded as a rightist, and the video business has led the police to suspect possible criminal ties to Turkish video dealers in West Germany who often use such businesses as a front for contraband *and drug trafficking.*

Italian court officials suspect that Mr. Arslan may have been involved in a further effort by Turkish rightists to kill the pope.

Khamenei Leads in Iran With 89% of the Vote

Reuters

LONDON — President Ali Khamenei of Iran led with 89 percent of the vote Sunday after more than half the votes from Friday's presidential poll had been counted.

The Iranian press agency IRNA, received in London, said that a lawyer, Sayyed Mahmoud Mustafavi *Kashani*, 42, *had 9 percent* of the vote and that a former trade minister, Habibollah Asgar-Owladi, 52, had 2 percent.

The Council of Guardians, Iran's senior Islamic constitutional body, turned down the applications of 47 other would-be candidates two weeks ago.

The total votes cast by the eligible electorate of more than 20 million will not be known for several days.

Mr. Khamenei, 46, who is a clergyman, won 95 percent of the vote when he was elected president in *1981. Friday's poll* was Iran's fourth presidential election since the Islamic revolution in 1979.

The president coordinates the work of Iran's Majlis, or parliament, the executive and judiciary and presides over the Supreme Defense Council.

The press agency said the election went smoothly after Iranian internal security forces last week arrested or killed 43 opposition hit-squad members who had infiltrated Iran from Iraq to disrupt the poll.

Internal security officials said bomb disposal experts Saturday defused an 88-pound (40-kilogram) bomb planted "by counterrevolutionaries and agents of the Iraqi regime" inside a car in front of the Ministry of Agriculture in north Tehran.

Reuters

Ali Khamenei

The Paris-based Mujahidin Khalq opposition group said its guerrillas set off 150 concussion grenades around Iran on Friday at the height of a two-week campaign to protest the election campaign. It said 150 pro-government militiamen were killed.

The Iranian Interior Ministry said the only election-day incident came when a guerrilla killed himself with a grenade that he was *about to throw at a provincial* militia base.

■ **30 Injured in Bombing**

The IRNA press agency said Sunday that a bomb planted in a van wounded at least 30 persons in southwestern Tehran, Reuters reported from London.

Wiretap Evidence Admitted In Trial of U.S. Spy Suspect

New York Times Service

BALTIMORE — Evidence obtained through a wiretap of John A. Walker Jr.'s telephone *and in a* search of his home and office can be used at his trial on espionage charges, a federal judge has ruled.

Prosecutors have said that the wiretap led directly to the arrest of Mr. Walker and three men accused of spying for the Soviet Union.

At a pretrial hearing in Federal District Court, Judge Alexander Harvey 2d said Friday there was cause to believe that Mr. Walker was operating as an agent of a foreign power when the wiretap was authorized by another federal court this spring. He rejected defense arguments that the wiretap might have been improperly approved.

The judge also upheld the espionage indictments against Mr. Walker and his son Michael, denying a defense motion to overturn the charges because of intensive publicity in the case. The two have pleaded not guilty.

Under the judge's ruling, jurors at Mr. Walker's trial will be permitted to learn of evidence gathered in nine searches by the Federal Bureau of Investigation, *including* material seized from his home, office, airplane and a Maryland motel where Mr. Walker was arrested May 20. Evidence taken from computer data and audio tapes belonging to Mr. Walker will also be admitted at trial.

A defense lawyer, Fred W. Bennett, said later he would request a jury for the trial *that begins* Oct. 28. Mr. Walker's brother Arthur, a retired Navy lieutenant commander, was convicted of espionage last week after a nonjury trial in Norfolk, Virginia.

Jerry A. Whitworth, a retired Navy radioman from Davis, California, charged in the case has also pleaded not guilty.

U.S. Court Brief Assails 'Comparable Worth' Pay

Los Angeles Times Service

WASHINGTON — The Reagan *administration* has taken its criticism of the concept of "comparable worth" a step further, filing a court brief siding with the state of Illinois against nurses seeking higher pay on the ground that they do not earn as much as men in similar jobs.

Explaining the administration's decision to file its first "friend-of-the-court" brief in such a case on Friday, Assistant Attorney General *William Bradford Reynolds*, head of the civil rights division of the Justice Department, said that the comparable worth theory made "a mockery of the ideal of pay equity."

The comparable worth concept, Mr. Reynolds said, advances instead "the thesis that equal pay should be provided to men and women in remarkably different jobs on the basis of a *subjective* evaluation by some 'expert' that the two jobs can be called 'comparable.'"

Filed with the 7th U.S. Circuit Court of Appeals in Chicago, the brief urges the court to uphold a lower-court ruling in April dismissing the nurses' claims, rather than to allow it a full trial.

The administration's *move drew* immediate and sharp criticism from advocates of the concept.

The American Federation of State, County and Municipal Employees union has led the court fight for comparable worth and won what it considered an important victory in a 1984 case in which a federal judge ordered the state of Washington to pay women employees up to $1 billion in back wages.

In its brief, the Justice Department insisted that the Washington ruling was too narrow to be construed as a judicial endorsement of comparable worth.

Some cities, such as Los Angeles, have endorsed the concept and have voluntarily moved to begin basing wages on an evaluation of such factors as the skills required for a job and the working conditions *demanded.*

In a study released in March, the U.S. Commission on Civil Rights rejected the proposition of comparable worth. In June the Equal Employment Opportunity Commission ruled unanimously that federal law does not require employers to give men and women equal pay for different jobs of comparable worth.

AMERICAN TOPICS

The Associated Press

WAITING FOR THE END — Charles Rumbaugh, who is on Death Row at the state prison at Huntsville, Texas, displays a coffin he made from matchsticks in which he wants his cremated remains placed. Mr. Rumbaugh is to die Sept. 11 for killing a jewelry store owner.

10 Million Take Part In Anti-Crime Drive

With porch lights, neighborhood parties and parades, residents in cities across the United States went out in the streets one night last week to "take back the night" from crime. Participation in the second annual National Night Out on Aug. 13 was *enthusiastic in* some cities and apathetic in others, but organizers estimated that as many as 10 million people took part in the effort to drive crime out of their neighborhoods.

In New York City, community *groups coordinated 500 local* events and Mayor Edward I. Koch led a parade in Brooklyn. Organizers in Minneapolis said that 12,000 residents participated in the show of solidarity against crime. A police officer in Hartford, Connecticut, called the program a *great* success, saying it was good to see neighbors "working together in a collective way."

But response to the National *Night Out* was *not enthusiastic* everywhere. In Detroit, reporters for the Detroit Free Press found no out-of-the-ordinary activity, and residents of the exclusive Tanglewood neighborhood in Houston said they thought that the National Night *Out was a good idea, but they* would not be participating.

Short Takes

Massachusetts is expected to become the first state to require a health warning on snuff. Dr. Gregory Connolly, chief of the state's Dental Health Division, says he recommended that all packages of smokeless tobacco carry the label, "Warning: Use of snuff can be addictive and can cause mouth cancer and other mouth disorders."

More than 50,000 taxpayers *with total incomes above* $250,000, including more than 5,000 millionaires, paid less of their total income in federal taxes in 1983 than typical middle-income families, according to a Treasury Department study. The study, requested by *Representative J.J. Pickle*, a Democrat of Texas, shows that many of those wealthy taxpayers paid less than $6,272 in taxes, which is the average amount paid by a family of four with income of $45,000.

Forty-four U.S. law enforcement officers were killed in the line of duty by assailants during *the first half of this year, up* from 35 in the first half of 1984. The Federal Bureau of Investigation said that pistols were used in 29 of the killings, shotguns in six and rifles in two. The bureau said that four officers were killed with motor vehicles, two with blunt instruments and one with a knife. The incidence of slayings was highest in the Southwest, where 21 officers were killed.

A **bumper sticker** *spotted in* South Carolina on a car with Ohio plates: "I owe, I owe, it's off to work I go."

Notes on People

At the *seventh* annual Possible Dreams Auction in Edgartown, Massachusetts, a sailing trip with **Walter Cronkite**, the former CBS News anchorman, went for $3,800, while a tour of The Washington Post, auctioned off by **Katharine Graham**, *chairman of* Washington Post Co., sold for $750. The auction raised $33,000 for Martha's Vineyard Community Services.

Stetson Hat Co., which last year produced the popular **Indiana Jones** *hat, will introduce* the Trail Rider hat next month, based on the Stetson that **Clint Eastwood** wore in his latest film, "Pale Rider."

Presidents rated most popular among Secret Service agents *are* **Ronald Reagan** and **Gerald R. Ford**, according to "Protecting the President," a forthcoming book by Dennis McCarthy, a former agent. Least popular was **Lyndon B. Johnson**, who, the author says, "was a royal pain to deal with."

Nancy Reagan celebrated her 62d — or 64th — birthday at the Reagan ranch near Santa Barbara, California, on Saturday, in the company of about 70 guests. "She hasn't decided" how old she is, a spokesman at the White House said about the ambiguity of the first lady's age. Her birth register shows she was born July 6, 1921, but the former actress has said the correct year is 1923. The celebration had been delayed because of the TWA hostage crisis.

When the Supreme Court is in session, **Justice Sandra Day** *O'Connor likes to attend daily 8* A.M. exercise classes for women in the court's gym. Some of her classmates sported new T-shirts after Mrs. O'Connor's celebrated encounter last January with **John Riggins**, the Washington Redskins fullback, in which the football star told her to "loosen up, Sandy baby" as they shared a table at a *congressional dinner. The T-shirts* read: "Loosen Up at the Supreme Court."

— Compiled by AMY HOLLOWELL

U.S. Policymakers Say Quarrels With Managua Cannot Be Resolved

By Shirley Christian
New York Times Service

WASHINGTON — Reagan administration officials involved in Central American policy say that U.S. differences with Nicaragua *cannot be resolved so long as the* Sandinists remain in power, and some indicate they favor the overthrow of the Sandinist leadership.

Robert C. McFarlane, President Ronald Reagan's national security adviser, said in response to a query that it was "absolutely not" the policy of the United States to overthrow the Sandinists. But other officials, including some assigned to *oversee and foster activities of anti-*Sandinist guerrillas, said they saw no way to satisfy the concerns of the United States, the rebels and other Central American nations with the Sandinists remaining in power.

In recent interviews, these officials described U.S. backing for the guerrillas in such terms as a chance to "win one for Reagan" and to *"push communism out of one* country" or as a test case in what they called the global confrontation with the Soviet Union. *All said* they did not advocate using U.S. troops for the purpose.

"The ultimate objective is to assure a democratic outcome in Nicaragua," said an administration official who works closely with the rebels. "If these people can stand *up and throw off communism, it* goes beyond Managua. It goes to the gut of our national interest."

"The way to go after the Soviet Union is through the colonies," the official said. "We have to find ways to help democratic resistance movements without sending troops."

Mr. Reagan and Secretary of State George P. Shultz have not called outright for the overthrow of the Sandinists, although the president came close in February when he said that his goal was to "remove" the "present structure" in Nicaragua.

In May, Mr. Reagan sent a classified report to Congress in which he said that the use of U.S. military forces in Nicaragua "must realistically be recognized as an eventual option, given our stakes in the region, if other policy options fail."

Elliott Abrams, the new U.S. assistant secretary of state for inter-American affairs, said that the administration felt the Sandinists would never abide by a commitment not to support insurgencies in neighboring countries. The only way to satisfy the security concerns of the United States, he said, was with a "democratic" government in Nicaragua.

In an interview Wednesday, Mr. McFarlane said that U.S. policies "remain to support the freedom fighters and in parallel to work for a diplomatic solution."

But in recent months diplomatic efforts have encountered many roadblocks. The Central American peace initiative of the four nations working as the Contadora group came to a standstill in June when Nicaragua demanded that the participants take up the issue of Washington's support for anti-Sandinist forces. The United States refused last month to resume talks with the Sandinists at *Manzanillo*, Mexico.

Meanwhile, the administration's stress on support of the guerrillas, known as "contras," has grown.

Officials hedged their comments about whether and when the guerrillas might be able to defeat the Popular Sandinist Army, estimated at 64,000 men including active reservists. Some said they could not *win an outright victory, but would* have to rely on such factors as internal dissatisfaction to bring about the collapse of the government.

The rebels have gone on the offensive in recent weeks after an infusion of equipment and supplies *made possible by about $25 million* in private and foreign donations, and the expectation of $27 million in nonmilitary aid from the U.S. government.

Officials said that the Reagan administration has debated constantly in recent years whether to work out a "Yugoslavia" situation in Nicaragua, meaning an understanding that the Sandinists would remain in power in exchange for not promoting insurgencies elsewhere or being a military threat to their neighbors.

Reuters-UPI

Elliott Abrams

"We'd be kidding ourselves if we *thought we could solve our problems* that way," said one participant in the debate. "These guys are *self-described revolutionaries.*"

The parameters that have evolved for the policy, he said, were to avoid both "another Cuba" in the Western hemisphere and "an*other Vietnam,*" that is, having U.S. troops bogged down abroad.

Some administration officials maintained that a negotiated settlement of the conflict in Nicaragua might be possible if it was acceptable to the guerrillas and to the other Central American nations. But anything acceptable to those groups and governments, they said, would require so many changes in Sandinist policies that the Sandinist Front would no longer be the organization it is now.

They said any negotiated settlement must be a multilateral agreement, for instance through the Contadora talks, involving the Nicaraguan opposition, armed and unarmed, as well as the other Central American countries. They virtually ruled out any possibility of reaching a bilateral peace agreement with Nicaragua.

The Sandinist leadership has proposed agreements with Central American *governments in recent* months that would address some of the concerns of each of them.

The strongest Sandinist offer was made informally to El Salvador in April. Salvadoran officials said that the Sandinists sent a mid-level official to El Salvador who said that the Sandinist Front was willing to expel from Managua the leadership of the Farabundo Marti National Liberation Front, the Salvadoran rebel organization; take *other unspecified actions to halt or* reduce support for the Salvadoran rebels, and resettle in Nicaragua a number of pro-guerrilla Salvadoran refugees now in Honduras.

The vehicle through which the Sandinists expect El Salvador and other Central American nations to extend tacit acceptance to their government is the proposed Contadora agreement.

"I don't think these bilateral deals will sell to Central America," Mr. Abrams said, "basically because the Central Americans understand that the Sandinists are Communists and that such agreements are lies and will be used to destroy the contras. *After that, the* Sandinist Front would be back at its historical mission of subverting these countries."

He and other administration officials said that the primary reason the Central Americans might consider such arrangements is not that *they wanted to make separate* agreements with the Sandinists but that they fear the United States will abandon the anti-Sandinist cause at some point and leave them out on a limb.

Seoul Rejects Appeal by Dole

Reuters

SEOUL — Robert J. Dole, the U.S. Senate majority leader, has urged South Korea to open its markets to more American goods, officials in Seoul said. But the officials said that Shin Byong Hyun, the *deputy prime minister, told Mr.* Dole, a Kansas Republican, on Saturday that South Korea was unable to speed up liberalization of its imports because of public opposition.

Changes Ordered in Rules for U.S. Aviation

By Reginald Stuart
New York Times Service

WASHINGTON — Major changes in the operations of the Federal Aviation Administration have been ordered by Transportation Secretary Elizabeth H. Dole, who has made public a report highly critical of the agency.

The report, produced by the *Transportation Department's Safety* Review Task Force, said it had found "no diminution of safety" because of the agency's operating practices. Statistics, in fact, showed *an improvement of U.S. air flight* safety in the first five year of this decade over the previous five years.

But the task force said that improvements were needed in several *areas if the agency was to keep pace* with changes in aviation, particularly the increased competition resulting from deregulation of U.S. airlines.

The report, released Friday, said that the agency had trouble formulating rules in a timely manner, citing delays of as much as eight years. Rules and policies were not uniform around the country, the report said.

It also criticized the agency's internal communications system, saying, for example, that aircraft inspection results were not always transmitted among regions.

The panel *recommended more* centralized control of the agency, establishing a strict timetable for rule-making, imposing of uniform standards for interpreting and carrying *out rules*, and a review of internal and external communications policies.

Mrs. Dole, who appointed the task force, ordered its recommendations carried out.

The Transportation Department said that aircraft accident *rates in* the United States for 1980 to 1984 were "substantially lower" than for *1975 to 1979, a conclusion supported* in separate statistical studies by the National Transportation Safety Board, an independent federal agency. According to that agency, there were 0.224 accidents per 100,000 departures of scheduled airlines last year compared with *0.419 per 100,000 departures* in 1983.

Sources in the Transportation Department said that the aviation agency planned to increase its ros*ter of safety inspectors to 974 from* 674, a 46-percent increase, in the next two fiscal years.

Earlier this month, the General Accounting Office made public a *study of safety inspections showing* wide disparity in the frequency of inspections of air carriers.

INTERNATIONAL Herald Tribune
Published With The New York Times and The Washington Post

AIDS Will Stay a While

AIDS is going to be with the world a long while. How should society deal with those who fall victim to the cruel disease?

Last week the Los Angeles City Council voted to ban discrimination against AIDS patients in housing, employment or health care. "A society which should be showing compassion to people who are ill is often shunning them like lepers," explains the sponsor of the ordinance, Councilman Joel Wachs.

The U.S. Navy has responded differently. When Bernard Broyhill, an enlisted man with AIDS, told a navy doctor that he was homosexual, the doctor betrayed the confidence. The navy lawyer then assigned to defend him — homosexuality is grounds for discharge from the military — refused to meet in the same room for fear of the disease.

As it happens, the more compassionate response to AIDS is also the medically warranted response. From the considerable amount now known, it appears that the disease is spread only by actions that transfer it from bloodstream to bloodstream, either directly, as in the sharing of needles, or through the exchange of body fluids, as in sexual contact. Casual contact is not a means of transmission: No nurses or doctors caring for AIDS patients have caught the disease from them; nor, in America, have fellow household members of AIDS patients, except patients' spouses or children born to mothers with AIDS.

Because of such evidence, there is no good reason for firms to fire people with the disease, as some have apparently done. "Employees with AIDS should work to the extent of their physical capacity," says Dr. James Mason, director of the Federal Centers for Disease Control. "We don't know of any risk to the public and therefore feel there should be no discrimination against the AIDS patient."

Companies such as IBM generally let employees with AIDS stay on the job as long as they can work, much as with any other long-term disease. The army says that is also its policy. For co-workers and neighbors to cast out people with AIDS, or for schools to shun afflicted children, seems, on the best available evidence, to be a needless cruelty.

Still, there is every reason for caution in special circumstances. The AIDS virus is deadly. It can kill anyone, man, woman or child, if it reaches the bloodstream. In America it predominates among the groups at specific risk, homosexuals and intravenous drug users, but men and women in Zaire have the disease in nearly equal numbers. That is probably because of some special factor, like the widespread medical use of unclean needles.

The virus seeps from the blood into other fluids, like semen, saliva and tears. Should an actress kiss an actor with AIDS? Should dentists take special care in treating AIDS patients? Caution in such cases seems advisable, despite clear epidemiological evidence that the disease spreads only through intimate contact.

The number of new cases is doubling each year and will keep doing so for several years after habits of sex and intravenous drug abuse have changed. Effective treatments and a vaccine, actively sought, are not yet available. While the disease rages, education and compassion are the only weapons at hand.

— *THE NEW YORK TIMES.*

A Lesson in Responsibility

After last Monday's Japan Air Lines crash, the president of the airline, Yasumoto Takagi, took it upon himself to offer condolences, in person, to relatives of the 520 victims. As they arrived in Tokyo, Mr. Takagi stood at the foot of the airplane ramp and bowed low. Later he announced that he would take responsibility for the crash by resigning.

Contrast that with the response of Union Carbide after toxic gas escaping from a plant in West Virginia injured 135 people. As after last year's accident at Bhopal in India, in which 2,000 people died, senior Union Carbide executives made themselves scarce to the press and the public. The headquarters staff in Danbury, Connecticut, hunkered down, communicating only by press release.

The differences might be summed up in the words liability and responsibility. Union Carbide's defensive and faceless approach surely reflect a desire to limit liability in anticipation of lawsuits. Mr. Takagi's response was dictated by a Japanese sense of personal responsibility. Japanese custom also dictates reciprocity on the part of the victims' survivors, who are likely to forgo lawsuits and take settlements that Americans might find unacceptable.

To say that one response is better than another is unrealistic and unfair because both are deeply rooted in cultural differences. Yet it is easy to believe that the Japanese emphasis on personal responsibility has much to do with the success of Japanese industry, a point that American managers might ponder. The next time someone speaks of "Japan Incorporated," we shall think of the president of Japan Air Lines bowing in front of a grieving relative.

— *THE NEW YORK TIMES.*

More Americans in Jail

At the end of 1984 there were 463,000 Americans in prison, more than twice as many as the 196,000 of 12 years before. This increase is all the more striking because the population that commits most crimes and is most likely to be incarcerated — men from their mid-teens to their late 20s — increased by only a little more than 10 percent during that time.

The causes and effects of this change tell us interesting things about American society. For the number of people in prison is not the result of a single decision but the collective result of hundreds of thousands of decisions by local juries, state legislators, voters, judges, prosecutors and police officers. A national administration can make some difference, but only 4 percent of prisoners are in federal institutions. The mandatory-sentence laws and longer terms that are the major factor in swelling the prison population are local initiatives, supported by politicians. Decisions to build new prisons are made mostly by state officials. Changes in prison populations are the sum total of millions of changes of mind.

To some extent, larger prison populations reflect an increase in crime rates and greater success in apprehending suspects and trying defendants. But note that the rise in crime rates in the middle 1960s was accompanied by a drop in the prison population, from 210,000 in 1965 to below 200,000 in 1972. Those were the years when the crime issue was on almost every politician's lips. Yet the criminal justice system, representing a wide range of views from all parts of society, was imprisoning fewer people. Note also that the rise in prison population did not start with the inauguration of the Reagan administration. The figure rose to 250,000 in 1976, passed the 300,000 mark in 1979, hit 350,000 in 1981 and 400,000 in 1983, and surged past 450,000 in 1984.

One clear effect of this change has been the falling crime rate of the 1980s — falling much faster than the number of men in the high-crime age groups. Some prisoners would surely be committing crimes if they were out.

Other effects may not be as benign. One is the likelihood that more people are being held unjustly. Another is that the mandatory-sentence laws and tougher sentencing by some judges are imposing unjustly long and disparate sentences on offenders. A third is that conditions inside what often must be overcrowded prisons may be inhumane.

None of these problems may seem the first order of business to citizens who are cheered by the decrease in crime. But they are necessary orders of business in a society that cherishes its reputation for fairness and humanity.

— *THE WASHINGTON POST.*

Other Opinion

A Need for South African Peace

The Bothas are trying to appease the whites, placate the West and pacify the blacks. This can be achieved only if the wool is pulled over somebody's eyes. President Botha is one of the more skilled wool-pullers in the game, [but] if he does want to negotiate reform with black leaders, he cannot do it by alienating every leader with whom he might negotiate. The West's interest lies in slow, steady and peaceful reform. Britain, more than any other country, would lose heavily from a violent upheaval. There are a million South Africans who would be entitled to emigrate to Britain if revolution broke out; there are around 250,000 jobs in Britain which depend on continued trade with South Africa, and Britain is by far the biggest foreign investor in the republic.

— *The Sunday Times (London).*

FROM OUR AUG. 19 PAGES, 75 AND 50 YEARS AGO

1910: A Whole Carriage for His Dog

NEW YORK — The most pampered bulldog in the world left the Grand Central Station yesterday noon for San Francisco in a private railway carriage which had been specially chartered for him at a cost of $2,065. His name is Radium, and his owner is Mr. F.S. Drew, president of the White Lumber Company of San Francisco. Radium is a French bulldog that Mr. Drew purchased for his wife in Paris four months ago. When Mr. Drew went to reserve for his trip to the coast he was told that dogs could not voyage in the same carriage as passengers. When arguments proved to no avail, Mr. Drew chartered a special carriage for the trip. Radium had the run of the carriage, and Mr. Drew said on leaving: "I hope he enjoys it. It is his and we are his guests."

1935: Duce Rejects Abyssinia Plan

PARIS — The Three-Power Paris Conference called to settle the Italo-Abyssinian dispute collapsed completely [on Aug. 18]. Peace in East Africa now hangs on the decidedly thin threads of long-distance diplomatic negotiations and the League Council session on September 4. The Duce refused to consider the compromise plan offered by French Premier Pierre Laval and British League Affairs Minister Anthony Eden, even as a basis of discussion. He demanded annexation of a large part of the Abyssinian hinterland of Eritrea and Italian Somaliland. Faced with these demands, which where described in French circles as "not of a kind enabling further progress," Eden and Laval were obliged to renounce further attempts to negotiate peace in Paris.

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A South African Says No to Army Service

By André Brink

GRAHAMSTOWN, South Africa — The South African government recently amended its Defense Act so that white male citizens up to the age of 55 can be called for military service. I have informed the military authorities that I shall refuse to undergo training or serve the army in any capacity. No matter what punitive action I may face, at age 50, this is not a regime and a system I am prepared to live or die for. It does not represent the South Africa I love and honor.

Young white males have been forced since the early 1960s to accept increasingly long periods of military service as part of "the South African way of life" — just as it has more recently become part of that way of life to live in cities under siege, with streets lined by armored vehicles and by policemen and soldiers brandishing automatic weapons. At the age of 18 it is not easy to resist and face the grim consequences. Hence a growing stream of draft dodgers seeking refuge abroad.

Among those who stay behind, including many in the armed forces, unease and resistance are building up. Anyone who takes the trouble to talk to young servicemen or ex-servicemen finds that the military authorities may indeed have reason to worry about the morale of the troops. This worry will inevitably acquire more and more weight as the government continues to violate the integrity of neighboring territories in adventures that many reasonable people would regard as missions of terrorism, murder and sabotage, the sense of which only a handful of cynical politicians can grasp.

To fight for South Africa . . . has nothing to do with the protection of values that deserve to survive.

Much of the resentment among the young is inevitably muted; it is not easy to face many years in jail when one is 18. But when it comes to men of more mature age, questions and resistance become more obvious. These questions have nothing to do with religion or pacifism. Many men approaching middle age learned long ago, whether reluctantly or cynically, that violence has to be faced as an inevitable component of their world.

My own attitude in this respect would be that any resort to violence involves an assault upon the overexposed and maligned yet indispensable notion of "human dignity." But at the same time I realize that it would be naive simply to wish violence out of this world. Sadly enough, it would seem that some advances in human evolution cannot be attained except through violence. To mention only one example, every small reform in black education in South Africa in the last decade has been bought and paid for in blood.

There may also arise situations in which it becomes necessary for the individual to take up arms and fight for a fatherland. But it is necessary, in each case, to insist that such action has nothing to do with either an atavistic romantic notion of patriotism or an animal sense of the territorial imperative. The "fatherland" to be defended must be interpreted as a spiritual quality, a system of values: the kind of values whose defeat would endanger the essential humanity of a community.

But to fight for South Africa — whether on the Namibian border, or in raids against Botswana, or in the Eastern Cape against some undefined "internal enemy" — has nothing to do with the protection of values that deserve to survive.

In the first place, inasmuch as significant values are at stake — values acquired through thousands of years of history, not just the 300 or so years of white colonization — the "enemy" is fighting for his own legitimate share of those values which are, moreover, vested in the same territory. It is a struggle with all the characteristics of civil war.

In the second place, what the South African government is in fact fighting for has nothing to do with values at all but exclusively with the preservation of a system that remains odious even to those Western countries which, for economic or other reasons, allow themselves to be seduced by the semantics of "reform" (the greatest confidence trick in South African history).

The nature of the system which must be defended, and for which men up to the age of 55 may now be called up, has become more sickeningly evident in recent months.

The violence that erupted in the black townships continues. Yet the most peaceful responses that President P.W. Botha has so far thought up have been his call last week for negotiations for a peaceful future and his naive promise of a "meaningful open forum" in which black and white may sit down together to discuss their future. How open is such a forum if the most important item on the agenda — white domination — is excluded a priori as nonnegotiable? Can anyone still be surprised to find that more and more blacks feel driven to violence as the only language available to them?

This, I believe, is the key to what is euphemistically termed the "black unrest" sweeping South Africa. Revolt has been begotten by the institutionalized violence of the government and the brutality of the system that has denied blacks, for centuries, the most elementary human values.

What does one do when a black friend tells about police in armored vehicles who drive through deserted Grahamstown township streets at night and shoot in all directions in the hope, it is alleged, of provoking an angry reaction so that they can "go into action"?

Or when a black woman tells about a policeman raising his gun at point-blank range and shooting a small black girl in the head as she comes past him on her way home from a game with friends?

What one does is think even harder about an army call-up. Not only does this sort of behavior illustrate the kind of system that one is required to defend with one's life, but it reminds one that in the repression of black unrest since September 1984, police action has been consistently backed up by the army "in a supporting role."

To a large extent military involvement has made this kind of police action possible. In this situation an immediate and profound moral choice is required of every man who faces a call-up. My decision involves only myself. But by making my choice, and by making it public, I believe I can demonstrate the simple but immensely important fact that in every situation one does have a choice.

That is perhaps the ultimate freedom of the individual. Every choice imposes its price, which may be daunting. But I have also made my decision in the knowledge that it will impose on the authorities the need to calculate from their side the price of whatever they have done or may do.

The writer, a South African novelist, is author most recently of "The Wolf of the Plague." He contributed this comment to New York Times.

What Would America Do if Russia Entered Iran?

By William Safire

WASHINGTON — "It's still pretty smoky down there," said a U.S. official as he examined satellite pictures of Kharg Island, hit last week by Iraqi missiles.

A haze of smoke hangs over the whole Iraq-Iran war. Since neither dictatorship permits news coverage, the bloodiest conflict of our time is off the scope of our attention. But battle deaths are now estimated at 1 million. (Thanks to the nonproliferation enforcement of Menachem Begin, it is not a nuclear war with millions of civilian deaths.)

Iran is suffering more, but could win a war of attrition. Iraq, which started the war, cannot settle it short of surrender, because Ayatollah Khomeini is determined to win.

Unable to launch a successful invasion in the south, Iran has begun to move in the north, enlisting the help of Iraqi Kurds. In response, Iraq has targeted Iran's oil shipping center at Kharg Island, hoping to cut down the 2-million-barrel-a-day oil shipments from there that are financing its opponent's war.

If this is even partially successful, as the smokiness down there suggests, the ayatollah will strike at the Arab world's support of his Arab enemy, Saddam Hussein of Iraq.

The ayatollah has at least three choices. He can use the 150,000 Iranian pilgrims now in Saudi Arabia during the Hajj religious season to tear up the host country; attack pipelines and tankers carrying oil from Iraq, Kuwait, Bahrain or anywhere in the Arab world; avenge Kharg by attacking the Saudi oil export facility at Ras Tannurah.

If escalation continues, oil prices will stop declining for a time, adding to inflation in America and perhaps leading to a reduction of Arab financing of the U.S. debt, leading to higher interest rates.

On the whole, however, Americans react to the Iran-Iraq war the way the dying Mercutio, in Shakespeare's "Romeo and Juliet," did toward the squabbling Montagues and Capulets: "A plague o' both your houses!" Iraq's leader is an aggressive despot, and Iran's leader has been the source of grief to the United States for years.

That unconcern is a mistake. A strategic challenge may be in the making, and we should prepare.

Assume that the war goes on. In Iran, where male children are a family's security in old age, resistance is sure to rise to the continued conscription of youths for slaughter, providing a counterweight to fanaticism. As of now, most of the organized resistance to Ayatollah Khomeini inside Iran is strongly leftist.

If Iranian anti-war sentiment grows, or if the ayatollah dies, the temptation to the Soviet Union cannot be ignored. An uprising would offer Mikhail Gorbachev a chance to make the ancient Russian dream of a warm water port come true.

The port is Chahbahar, on the Gulf, leading to the Indian Ocean. It is as desirable to the Russians as Danzig was to the Prussians. In time of turmoil, the Red Army could move down from its troubled base in Afghanistan, or roll its tanks from the Soviet Union through the part of Iran known as Baluchistan.

We can hope Washington has a contingency plan to meet a conventional Russian military move down through Iran. It would be good to hear a reminder that America would interpret a Soviet attempt to take advantage of unrest in Iran with a territorial grab as a threat to Pakistan, an American ally.

A more subtle danger: The Soviet Union might arrange for a separatist movement of the Baluchis, another ethnic group, like the Kurds, ready to swallow promises of autonomy. Comes the revolution, and the Baluchis set up in Chahbahar and invite their Russian sponsors down. Is the United States ready to sponsor a force inside or outside Iran to stop them? Hello? Anybody there in the situation room?

From mere single, mega-death wars, big conflagrations can start. To avert miscalculation, the United States should make certain that the other big bystander knows what America is prepared to do.

The New York Times.

Cheer Up, Dear, Wedded Bliss Is Back in Fashion

By Calvin Trillin

NEW YORK — I figured the big question about our 20th wedding anniversary might be whether the local newspaper would send a reporter out to interview us, the way reporters always used to interview those old codgers who managed to hit 100. ("Mr. Scroggins offers no formula for longevity, although he acknowledged that he has polished off a quart of Jim Beam whisky every day of his adult life.") I figured that might be the big question even though the local newspaper is The Village Voice.

Or maybe I figured that might be the big question because the local newspaper is The Village Voice. In Greenwich Village, after all, my wife and I are known rather widely for being married. We enjoy a mild collateral renown for having children. Several years ago, in fact, I expressed concern that we might be put on the Gray Line tour of Greenwich Village as a nuclear family.

It occurred to me that all this might be vaguely embarrassing. In recent years it has become common to hear people all over America speak of long-term marriage in a tone of voice that assumes it to be inextricably intertwined with the music of Lawrence Welk. In the presence of someone who has been married a long time to the same person, a lot of people seem to feel the way they might feel in the presence of a Methodist clergyman or an IRS examiner.

When I asked a friend of mine recently how his 25th college reunion had gone — he had attended with the very same attractive and pleasant woman he married shortly after graduation — he said, "Well, after the first day, I decided to start introducing Marge as my second wife, and that seemed to make everyone a lot more comfortable."

Then I happened to run into the old college classmate I call Martin G. Cashflow. In both investments and social trends, this Mr. Cashflow prides himself on just having got out of what other people are about to get into and just having got in on the ground floor of what other people haven't yet heard about.

After Mr. Cashflow had filled me in on his recent activities — he had just got out of whelk-farming tax shelters and into chewing of hallucinogenic kudzu — he asked what I had been up to. "Twentieth anniversary," I mumbled. "Terrific!" he said.

He looked at me as if I had just revealed that I was in on the ground floor of a hot electronics issue. At least I think that's the way he looked at me; I don't have much experience at being looked at as if I had just revealed that I was in on the ground floor of a hot electronics issue.

Mr. Cashflow told me that among people in their 20s marriage has come back into fashion. As he explained the way things have been going, marriage is part of a sort of '50s revival package that is back in vogue, along with neckties and naked ambition.

"Best thing you ever did," Mr. Cashflow said. "They're all doing it now, but look at the equity you've got built up." I shrugged modestly. You don't brag about that sort of thing.

Then I went home and told my wife that we were in fashion.

"Not while you're wearing that jacket we're not," she said.

I told her about the '50s package that people in their 20s were now bringing back into vogue.

She said that if the alternative was to be identified with those little strivers, she would prefer to be thought of as inextricably intertwined with the music of Lawrence Welk.

I could see her point, but I still looked forward to an interview with the local paper. I would be modest, almost to a fault. I would not mention Jim Beam whisky. The reporter would try to be objective, but he would not be able to hide his admiration for my equity.

The writer is the author, most recently, of "With All Disrespect." This was excerpted by The New York Times from an article in The Nation.

Letters intended for publication should be addressed "Letters to the Editor" and must contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

Apartheid Is a Recent Invention

By Edwin M. Yoder Jr.

WASHINGTON — There is, as Michael Kinsley of the New Republic observed, a certain phoniness in the suddenly fashionable U.S. crusade against apartheid. Even Republican conservatives have jumped on the bandwagon. But Mr. Kinsley is mistaken in one respect: He calls apartheid, the system of racial separation, a "feudal relic" — as if to say an almost accidental remnant of a forgotten past. The misconception suggested here is all but total.

Begin, if you will, with John W. Cell's "The Highest Stage of White Supremacy," a comparative study of racial separation in South Africa and the American South. That important book, now three years old, should be read by every pundit, politician and activist interested in the issue.

Since that is unlikely, let two of Mr. Cell's key points be noted.

First, apartheid, if now depraved and cruel in practice, was in origin not the brainchild of cruel or rabid oppressors. It was conceived by moderates searching, some 50 years ago among what seemed to them dire alternatives, for the least evil solution to the "problem" of biracialism.

The second point is that apartheid represents no codification of long practice. Rather, it is a modern political institution, deliberately designed. Indeed, the architects of apartheid closely studied the most notable working model: U.S. Jim Crow laws, most of which also had been written in the 20th century.

Having arisen by forethought, in a nation less than a century old, apartheid is no "relic," not even in the limited sense that Jim Crow might once have been thought of as a "relic" of the post-Civil War black codes.

And from that newness, certain policy implications flow — as Comer Vann Woodward, the historian of the American South, argued 30 years ago in reference to American segregation. Apartheid's defenders can hardly argue that this is the way it has always been, or that in dismantling it we tamper with ancient wisdom.

Such a defense of Jim Crow was much heard in the embattled American South of the 1950s and '60s. For a generation and more, apologists for segregation had made it their anxious mission to conceal the real history of Southern race relations. For, however briefly and fitfully, here and there, more often than not under the shield or threat of federal force, the South had experimented with biracialism during Reconstruction and the later Populist uprising.

No one in his right mind argues that having found the same way into this dilemma South Africa can find the same way out. The differences are vast; and apartheid has been deeply shaped by the peculiar character of the Afrikaners. Their first great leader, Paul Kruger, is said to have believed in a flat Earth, and the Afrikaner political sense still seems equally unburdened by modern notions.

Yet even for South Africa, history shows that it was not always thus (its first great statesman, Cecil Rhodes, certainly did not envision the system) and that it can be otherwise. But how, and at what pace?

One difficulty that American advocates of a peaceful and controlled abandonment of apartheid need to reckon with is a fact intuitively felt by defenders of any social system under siege: Once you begin to tamper and tinker, you will lose control of the pace and character of change. Some chaos is certain.

Southern segregationist dichards so argued in the debates in the American South 20 years ago, to be indignantly disputed by moderates. But the diehards were essentially right, about this if about little else. Once it was decisively assailed, the Jim Crow system came tumbling down in an uncontrollable hurry.

Those of us who witnessed the welcome downfall of Jim Crow can well imagine that the Botha government is all but paralyzed by the intuitive fear that the door, once opened, will fall off the hinges. It would be reassuring to predict otherwise, but that sense of the matter is probably right. And it would be honest of America's benign crusaders to acknowledge it.

The trouble is that the hour of measured reform has passed. The Afrikaners must decide whether they prefer to negotiate the nation's future, peacefully, with Christian prelates like Desmond Tutu, or contest it with furious mobs, in a climate of blood, fire and brimstone.

If no more than a "feudal relic" were at issue, the choice would be infinitely easier.

Washington Post Writers Group.

LETTER

A 1973 Phantom Ship?

The full-scale U.S. alert on the last day of the 1973 war has remained an enigma, contrary to the analysis by Walter Pincus (*July 27*) in the fourth in his series of articles on the history of the nuclear bomb.

The CIA report of a Soviet ship carrying nuclear warheads to Egypt could not have provoked the global alert on Oct. 24 because it was received on the morning of Oct. 25 several hours after the alert was declared. Later, a Rand postmortem on the crisis contained a conclusion that "there is no reliable evidence that nuclear weapons ever entered Egypt." Nor is there mention of nuclear cargo in the memoirs of such central figures at the time as Henry Kissinger and Admiral Elmo Zumwalt. Is it possible that we are dealing with a phantom ship?

It seems to me that any attempt to explain the U.S. global alert during the October war in nuclear terms does not hold water.

SHEMUEL MEIR
Jaffee Center for Strategic Studies,
Tel Aviv.

54 Killed, 120 Injured By Car Bomb at Store in Christian Beirut Suburb

By Nora Boustany
Washington Post Service

BEIRUT — A car bomb exploded outside a supermarket filled with weekend shoppers in a Christian suburb north of Beirut, killing 54 persons and wounding at least 120, many of them seriously.

The explosion Saturday, apparently detonated by remote control, was the second in four days aimed at Christian civilians. It blew several bodies across a coastal highway and into the Mediterranean Sea, 300 yards (274 meters) away, and left others charred and mangled inside the supermarket and in cars parked outside. Smoke killed several residents of apartments in the upper floors of the six-story building.

There was no immediate claim of responsibility for the bombing. In the past week, fighting between Christian and Moslem forces had killed 48 persons and wounded 250 before Saturday's attack. On Wednesday, another unexplained car bomb in a heavily populated neighborhood in East Beirut killed 13 persons and injured 120.

The executive committee of the Lebanese Forces, the largest Christian militia, threatened revenge Saturday, warning that "we will retaliate and our response will be of the same dimensions as their crime."

The Christians did not directly accuse the Moslem militias, but it was clear that was who they blamed.

"Indiscriminate shelling of our areas and bombing attacks against our civilians have reached the limit," the Lebanese Forces' statement said. "Those criminals have trampled on all norms and rejected peace, asking for a dirty war."

[On Sunday, rival militias pounded Beirut and nearby hills with artillery and rocket fire, Reuters reported.

[The Christian Voice of Lebanon radio said that two persons were killed and one was wounded when shells hit East Beirut and Christian villages in nearby hills. Druze Moslem radio said that Christian militiamen replied with heavy artillery, rocket launchers and tank guns in an "indiscriminate barrage on mountain residential areas."]

Prime Minister Rashid Karami, a Sunni Moslem, called Saturday's bombers "wild beasts" but acknowledged that he and the government were helpless in the face of the civil warfare.

"What can I say and what can I do?" he asked. He said that there were "major and forceful powers planning and executing" such acts.

Justice Minister Nabih Berri, leader of the Shiite Moslem militia Amal, who warned last week that he would punish Christian units of the Lebanese Army that he said were launching attacks against his militia, asserted that Israel was behind Saturday's explosion.

Some political analysts said that rivalries between Christian factions could not be ruled out in looking for the people responsible. But they said it was unlikely that any Christian militias would choose a purely civilian target to settle scores.

Bomb experts estimated Saturday's blast was caused by 500 pounds (226 kilograms) of explosives.

Flames quickly engulfed the entrance of the supermarket, which is in Antelias, about three miles (five kilometers) up the coast from Beirut, and spread to upper floors. The blast knocked bystanders unconscious and left the remains of the booby-trapped car dangling from overhead power lines.

■ **Photographer Is Freed**

An Iranian photographer kidnapped in Beirut in June has been freed, Reuters reported from Beirut.

Alfred Yaghobzadeh, 26, who works for Sipa Press, a French agency, flew to Paris on Sunday. He was reported in good health. Details of his release were not immediately available.

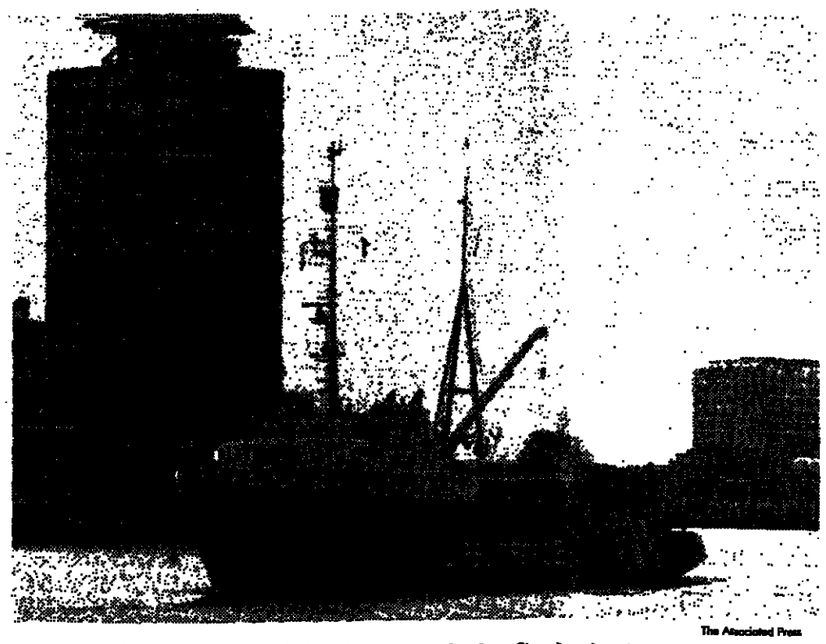
Another 12 foreigners still are missing in Lebanon.

Those who are Americans are William Buckley, the U.S. Embassy political officer; the Reverend Benjamin Weir, a Presbyterian minister; the Reverend Lawrence Martin Jenko, a Roman Catholic priest; Peter Kilburn, a librarian at the American University of Beirut; David P. Jacobsen, director of the university hospital; Professor Thomas Sutherland, dean of agriculture at the university, and Terry A. Anderson, a correspondent for The Associated Press.

Missing Frenchmen, all seized this year, are Marcel Fontaine, protocol officer at the French Embassy; Marcel Carton, vice consul at the embassy; Jean-Paul Kauffmann, a journalist, and Michel Seurat, a researcher.

Also missing is a Briton, Denis Hill, a teacher at the American University.

Anonymous callers have said that the missing Americans are being held by Islamic Jihad, which is seeking the release of 17 persons imprisoned in Kuwait for a series of bombings there in 1983.



The Associated Press

The Greenpeace as it left Amsterdam harbor Sunday for the Pacific.

Greenpeace Sends New Ship to Pacific To Protest Nuclear Tests by France

Reuters

AMSTERDAM — Another Greenpeace protest ship sailed Sunday from the Netherlands for the Pacific to continue the ecological movement's opposition to French nuclear tests.

The Greenpeace, a 218-foot (66-meter) converted ocean-going tug, will replace the sabotaged Rainbow Warrior at the head of a fleet of boats taking part in a protest around Mururoa atoll at the end of September, according to Greenpeace's chairman, David McTaggart.

Mr. McTaggart said he would consult Greenpeace lawyers on his return to Paris on legal action against the French government over the sinking July 10 of the converted trawler in Auckland, New Zealand.

Two people are awaiting trial in New Zealand on charges, including murder, in connection with the sinking. Newspapers have alleged they were on an official mission for the French secret service.

The Greenpeace, which is larger than the Rainbow Warrior, would act as both supply ship and guard for the "peace fleet," which comprises scores of light sailing ships from the Pacific, Mr. McTaggart said.

"The French have rammed our boats before and now they are both nervous and angry," he said. "But the boats in the peace protest are very vulnerable and they must be protected."

President François Mitterrand has ordered an inquiry into possible French involvement in the sinking, and has promised full cooperation with New Zealand.

Mr. McTaggart declined to comment whether harassment of the environmental group's new ship was expected, but suggested the Greenpeace would not be capable of defending itself.

"The Greenpeace is better than the Rainbow Warrior, more difficult to attack, but we would still have very little chance in any sea chases with the French Navy," he said.

He refused to clarify whether it had new equipment on board to cope with any intervention in its mission.

The Greenpeace's international crew of 19 will go to Mururoa to check the health of the inhabitants and test the ocean's radioactivity. It may proceed to Antarctica.

In Paris, Bernard Tricot, the former Gaullist government official appointed to lead the inquiry into the sinking, is expected to deliver his report in a few days on whether the bombing was ordered in Paris and who was responsible.

Political sources said that Defense Minister Charles Hernu might be forced to resign.

The French press has predicted that Mr. Tricot will blame the General Directorate for External Security, or DGSE, the secret service that reports to Mr. Hernu, for what Mr. Mitterrand has condemned as "a criminal attack that no excuse can justify."

French defense experts say that so costly an operation could not have been launched without high-level clearance.

"It is indisputable that Hernu must have been informed," Jean Rochet, former director of the French internal counterespionage agency, said in a radio interview last week.

The newspaper Libération, describing the affair as "state terrorism," said: "In most civilized countries, the defense minister would already have given his resignation."

Mr. Hernu, 62, is tied to Mr. Mitterrand by personal and political loyalties dating back to the early 1960s.

The rightist opposition has resisted the temptation to make political capital out of the affair and is likely to accuse the government of incompetence rather than wrongdoing.

It is not clear whether the French government is prepared to furnish New Zealand with the real names of the couple awaiting trial, who are believed to be French, or to help identify other French citizens sought by police.

India Calls Early Election in Punjab Despite Fears of New Sikh Violence

By James Rupert
Washington Post Service

NEW DELHI — The Indian government has ordered elections Sept. 22 in the predominantly Sikh state of Punjab, acting less than a month after signing an agreement with moderate Sikhs aimed at ending three years of sectarian conflict.

India's Election Commission said Saturday elections would be held to choose a 117-seat state legislature and fill 13 vacancies from the state in the national Parliament.

Some mainstream Sikh leaders have questioned the viability of early elections, and extremists have threatened violence.

Harchand Singh Longowal, who signed the agreement in July on behalf of the main Sikh political party, Akali Dal, said before the announcement that "the situation is not ripe" for elections in Punjab. He sought voting in February, after the Punjab agreement was consolidated.

Many Indian political analysts and most opposition leaders have echoed Mr. Longowal's worries that an early campaign would revive tensions eased by the accord.

By calling the elections, Prime Minister Rajiv Gandhi will pit his own Congress (I) Party against the Akali Dal.

[The Press Trust of India news agency said Mr. Longowal indicated Sunday the Akali Dal would participate in the election, Reuters reported from New Delhi. He said a final decision would be made Monday. "But the Akali Dal has never run away from the field," Mr. Longowal said.

[An overflow crowd of 25,000 people greeted Prime Minister Rajiv Gandhi in Hussainpur on Saturday on his first visit to Punjab since last month's peace agreement, but his plans to visit the Sikh holy city Amritsar were canceled on security grounds, Reuters reported.]

More than 2,000 persons have been killed in the Punjab since Sikh unrest turned violent in 1982, and the state is under direct rule by the central government. But New Delhi's authority to administer the state runs out Oct. 6, and the government chose to hold elections there rather than seek a constitutional amendment necessary to prolong its control.

"The two sides will attack each other intensively in an election campaign and will reopen the Punjab's wounds," said Kuldip Nayar, a syndicated columnist.

Sikh extremists, who oppose the agreement between the government and the Akali Dal, have vowed to use violence to prevent its implementation.

■ **Millions May Be Deported**

About 2.6 million people will be deported from Assam to Bangladesh or expelled to other Indian states under a peace accord signed with the Indian government, an Assamese leader said Saturday, Reuters reported from New Delhi.

Giving the first details of the number and fate of illegal immigrants who arrived in Assam after 1971, Aroop Bordoloi warned that if they were not evicted, his followers would resume a violent campaign against the settlers.

Mr. Bordoloi was one of the Assamese leaders who signed a peace accord Thursday with Prime Minister Rajiv Gandhi to end a six-year campaign in which more than 3,000 people were killed in 1983 in the northeastern state.

Bangladesh has rejected Indian allegations that the settlers crossed into Assam from there and said an attempt to push the immigrants back across the border could sour relations.

Israeli General Cleared In Deaths of 2 Arabs

By William Claiborne
Washington Post Service

JERUSALEM — A military disciplinary board acquitted the Israeli Army's chief infantry and paratroops officer Sunday of charges of "violent behavior" in the deaths of two Arab hijackers last year. They died after they were led handcuffed from a bus in the Gaza Strip to be interrogated.

The board ruled that the injuries caused by General Yitzhak Mordechai with the butt of his pistol were "not unreasonable" in light of the circumstances surrounding the interrogation of the Arabs, both of whom died afterward of skull fractures.

The board rejected recommendations by Israel's attorney general and a special inquiry commission that General Mordechai be prosecuted for causing grievous bodily harm to the two Palestinians.

The disciplinary board's chairman, Major General Haim Nadel, ruled that the interrogation of the two suspects was carried out "in order to obtain vital and immediate information" in time to prevent injury to General Mordechai and others from a bomb left on the hijacked bus April 13, 1984.

The investigating commission ruled last week that the two hijackers were taken off the bus to a field where they were interrogated and beaten. It said it had "turned up prima facie evidence regarding use of violence towards the two terrorists, via blows with a pistol, by Brigadier General Yitzhak Mordechai."

The panel said that because it was impossible to establish from medical evidence whether the hijackers died from blows delivered by General Mordechai or from injuries sustained during the storming of the bus by security forces, he could not be held directly responsible for the deaths.

But the commission said General Mordechai had committed grievous bodily harm to the two Arabs, and suggested he be tried under the penal code on that charge and under military law on a charge of conduct unbecoming an officer.

A woman soldier was killed and eight other hostages were injured when a commando force stormed the bus, which had been hijacked by four Palestinians. Two hijackers died during the assault.

Youths Clash With Arabs in Cyprus

The Associated Press

LIMASSOL, Cyprus — Police broke up gangs of Greek Cypriot youths early Sunday after fighting began in the streets between the youths and Arabs. A police spokesman said that more than 1,000 Greek Cypriots and Arabs were involved.

Thousands of Lebanese fleeing the civil war in their country and other Arabs live in Cyprus. The Arab community in Limassol is the largest on the island, and the city is a popular resort with Arab tourists.

Witnesses said that the clashes started at about 10 P.M. when groups of Cypriots entered discos, bars and restaurants frequented by Arabs and began beating up customers. Discos and nightclubs were ordered to close early, but open-air restaurants and sidewalk cafes remained crowded with tourists.

Radio reports said that fist fights continued past midnight and that the youths had smashed shops and cars.

Hanoi Shifts On Cambodia Seat at UN

By Barbara Crossette
New York Times Service

PHNOM PENH — Nguyen Co Thach, Vietnam's foreign minister, said that this year Hanoi will not attempt to seat the Phnom Penh government at the UN General Assembly, which it has been trying to do for more than five years.

"It is useless," Mr. Thach said Friday after a two-day meeting here of the foreign ministers of Vietnam, Cambodia and Laos.

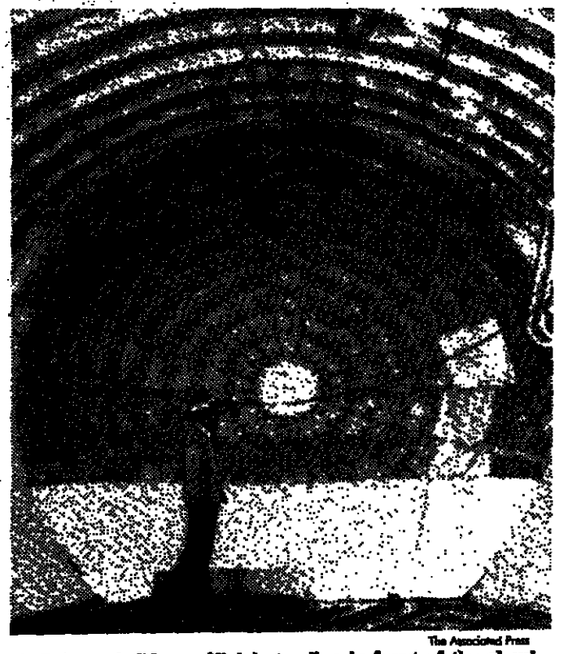
Mr. Thach said he had proposed that high-level talks with U.S. officials be held in Hanoi on Aug. 28. The United States lists 2,464 Americans as missing in Indochina, more than 1,300 of them in Vietnam.

Washington has no diplomatic relations with Hanoi. The Reagan administration has made improved ties contingent on resolution of the issue of the missing and on the withdrawal of Vietnamese troops from Cambodia.

Vietnam supports the Phnom Penh government of Heng Samrin, which it installed in 1979 after invading Cambodia and driving out the Khmer Rouge. Three Cambodian groups, the Khmer Rouge, the Khmer People's National Liberation Front and the forces of Prince Norodom Sihanouk, the former Cambodian leader, are fighting the Vietnamese and support a coalition government led by Sihanouk.

The leaders of the Khmer Rouge, with about 30,000 guerrillas, are Pol Pot, Ieng Sary and Khieu Samphan. Son Sann, the former Cambodian prime minister, leads the Khmer People's National Liberation Front, thought to have 15,000 to 20,000 guerrillas. Sihanouk's forces number about 5,000.

"Pol Pot is at the UN," Mr. Thach said. "This will be a heavy burden for the prestige of the United Nations." Under the Khmer Rouge government of Mr. Pol Pot, at least a million Cambodians are believed to have been killed.



The Associated Press

A Japan Air Lines official standing in front of the aluminum-alloy bulkhead of a Boeing 747 at Haneda airport.

'I'm Sure I Won't Make It,' Victim Said In Notes to Family Before Jet Crashed

The Associated Press

TOKYO — Following are excerpts of notes that a passenger, Hirotsugu Kawaguchi, 52, wrote aboard Japan Air Lines Flight 123 moments before the Boeing 747 crashed Aug. 12, killing 520 people. The notes were addressed to his son, Tsuyoshi, 21, and his two daughters Mariko, 24, and Chiyoko, 17.

"Be good to each other and work hard. Help your mother.
"I'm very sad but I'm sure I won't make it.
"It's been five minutes now.
"I don't want to take any more planes.
"Please Lord, help me.
"To think that our dinner last night was the last time.
"There was smoke that seemed to come from an explosion in the cabin and we began making a descent.
"Tsuyoshi, I'm counting on you.
"Mother — to think something like this would happen.
"It's too bad.
"Goodbye.
"It's 6:30 now.
"The plane is rolling around and descending rapidly.
"I am grateful for the truly happy life I have enjoyed until now."

Japan Issues New Order To Test 747s

By Clyde Haberman
New York Times Service

TOKYO — The Japanese Transport Ministry has expanded its inspection program for the country's fleet of Boeing 747 jetliners, ordering airlines to look for defects in the rear pressure bulkheads of relatively old planes.

The new order came Saturday as government investigators focused on a possibility that bulkhead cracks were responsible for the crash last Monday of a Japan Air Lines 747 that killed 520 people.

Apparently deciding not to wait for the results of the investigation, the Transport Ministry told Japanese airlines to inspect rear bulkheads on Boeing 747s that have been through more than 15,000 takeoff-and-landing cycles.

The bulkhead, made of an aluminum alloy, is a thin umbrella-shaped partition that seals the passenger cabin from the tail section.

One theory under study is that pressurized air from the cabin burst through the partition, rushed into the hollow vertical fin and blew it apart.

With much of its vertical stabilizer and rudders fallen away, the plane circled wildly off its charted course from Tokyo to Osaka. After more than 30 minutes of erratic flight, it crashed in the mountains about 70 miles (113 miles) northwest of Tokyo.

At a news conference Saturday night, a senior government investigator, Hiroshi Fujiwara, said it appeared that "only a small portion" of the vertical stabilizer was attached to the plane by the time it plowed into the mountains.

Mr. Fujiwara, who is with the aircraft accident investigation commission of the Transport Ministry, said that "over all, we don't know what the cause of the accident is yet."

DOONESBURY

Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01-623-1277.
Prices may vary according to market conditions and other factors.

RECENT ISSUES

Amt	Security	%	Mat	Str/Conv	Issue Pr.	Mid Pr.	Yield
$ 50	Credit Lyonnais	10¾	'94 Jan	s	100¼	97¼	11.25
$ 250	Eec Europ Econom Com	9⅝	'99 Jul	s	99¼	97	10.43
ecu 150	Ibm World Trade	8¼	'90 Aug	s	100	98¾	8.57
ecu 150	Electricite France	9	'97 Aug	s	100⅝	99¾	9.07
$ 150	Ford Motor Company	10½	'93 Aug	s	99⅞	98	10.88
$ 100	Norsk Hydro	10	'93 Aug	s	100	95¼	10.82
$ 200	Citicorp	10⅛	'95 Jul	s	100	97	11.13
dm 250	Ecs Euro Coal & Steel	7	'95 Jul	s	99¼	100½	6.93
$ 300	World Bank	10½	'95 Jul	s	99⅞	96⅛	10.47
$ 100	State Bk South Austr	10¼	'92 Feb	s	100	97⅛	10.83
dm 150	Austrian Industry	7	'95 Jul	s	99½	100⅛	6.89
$ 100	Associates Corp Usa	10½	'92 Aug	s	100	96½	11.25
$ 150	Metlife Funding Inc	9⅞	'92 Jul	s	100	95½	10.82
dm 400	World Bank	7	'95 Aug	s	99½	101⅛	6.88
$ 60	Middletown Trust	10½	'93 Jul	s	100	97½	10.98
$ 102	Middletown Trust	10⅞	'98 Jul	s	100	96½	11.40
ecu 50	Club Mediterranee	9	'88 Oct	s	100	101	8.41
$ 120	Statoil Den Norske	10	'90 Aug	s	100¼	99	10.27
$ 150	Procter & Gamble	10	'95 Jul	s	100	98½	10.24
dm 150	Bkf-Bank Finance W/w	7	'95 Jul	s	115	119	4.57
dm 250	Inter-American Dev Bk	7¼	'95 Jul	s	100	102	6.96
dm 100	Post Telecom Pretoria	7¾	'90 Jul	s	99¼	96¾	8.71
dm 100	Post Telecom Pretoria	8	'92 Jul	s	100	95¼	8.86
$ 150	Long-Term Credit Bank	10⅛	'95 Jul	s	100⅛	100¼	10.00
$ 100	Eurofima	10	'95 Jul	s	100	95¼	10.80
$ 100	Fed Dept Stores	10⅛	'95 Jul	s	100	95¼	10.84
ecu 50	Motorola Inc	8⅝	'92 Jul	s	99¼	98¾	8.87
$ 80	Alcoa Of Australia	11	'92 Jul	s	100	100½	10.89
$ 99	Sandoz Holding 5.00	4¼	'97dc	c	100	100½	4.20
cn$ 50	Winnipeg City	10⅝	'90 Jul	s	100	99½	10.75

STRAIGHT BONDS
All Currencies Except DM

AUSTRALIA

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 50	Australia	8⅛	'86 Jun	99¼	9.48		8.82
$ 120	Australia	8½	'86 Oct	100	8.46		8.50
$ 100	Australia	11¼	'90 Oct	104¾	10.01		10.74
y 15000	Australia	8½	'91 Aug	103	7.85		8.25
$ 60	Australia	8¾	'91 Oct	97	9.41	9.82	9.02
$ 150	Australia	8¼	'92 Sep	93½	9.56	10.41	8.82
y 15000	Australia	8⅝	'92 Oct	104½	7.77		8.25
$ 200	Australia	11	'95 May	101½	10.73		10.84
$ 300	Australia	11½	'95 Oct	104½	10.74		11.00
$ 75	Australia	9⅛	'96 Jun	91½	10.46	10.94	9.97
$ 100	Australia	11⅝	'98 Oct	104½	10.95		11.12
$ 100	Australia	11¼	'00 May	101¾	10.99		11.06
$ 25	Alcan Australia	8½	'89 Apr	93	10.80		9.14
$ 80	Alcoa Of Australia	12	'88 Jan	101	11.43		11.88
$ 50	Alcoa Of Australia	16	'89 Jan	104	14.34		15.38
$ 60	Alcoa Of Australia	10	'89 Jun	98	10.64		10.20
$ 30	Alcoa Of Australia	13½	'91 Apr	102½	12.81		13.17
$ 80	Alcoa Of Australia	11	'92 Jul	100½	10.89		10.95
ecu 50	Austra New Zealand Bk	9⅝	'92 Apr	102¾	8.96		9.40
$ 75	Australian Ind Dev Co	11	'89 Feb	102¼	10.15		10.76
$ 100	Australian Ind Dev Co	11⅞	'90 Feb	101¾	11.32		11.67
$ 40	Australian Mini Smelt	9¼	'92 Jun	88½	11.78	12.19	10.45
$ 30	Australian Resources	13	'86 Mar	103	7.66		12.62
$ 100	Australian Resources	13½	'87 Apr	104	10.59		12.98
$ 35	Austraswiss	8	'87 Jul	95	11.06	12.06	8.42
$ 30	Broken Hill Pty	8¼	'89 Apr	94½	10.10	11.27	8.73
$ 150	Broken Hill Pty	14⅝	'89 May	108	11.93		13.46
$ 100	Broken Hill Pty	12	'90 Jan	103¾	10.85		11.57
$ 20	Broken Hill Pty	10	'90 May	95½	11.25	11.50	10.47
$ 20	Comalco Invest Europe	9½	'85 Nov	99½	11.56	11.60	9.55
$ 40	Comalco Invest Europe	10¼	'91 Jul	91½	12.35	13.12	11.28
$ 25	Comalco Limited	10	'87 Apr	97½	11.68	11.87	10.26
$ 100	Commonwealth Bk Austr	12⅜	'89 Nov	107	10.22		11.57
£ 40	Commonwealth Bk Austr	11	'92 Apr	99⅛	11.14		11.08
$ 75	Csr Limited	16	'89 Jul	114½	11.21		13.97
$ 40	Hamersley Holdings	9½	'92 Jan	90½	11.66	12.47	10.50
$ 20	Hamersley Iron Fin	9½	'85 Sep	100½	.99	.46	9.45
$ 20	Hamersley Iron Fin	9	'86 May	99¼	9.26	9.26	9.07
$ 25	Hamersley Iron Fin	8	'87 Nov	93	11.67	13.57	8.60
$ 36	K Mart Finance	9	'86 Oct	100	8.96	8.95	9.00
$ 25	Mount Isa Finance	8¼	'86 Nov	98	10.46	11.18	8.93
$ 100	Mount Isa Finance	13⅝	'87 Jul	106	10.13		12.97
$ 50	National Austr Bank	11¼	'90 Apr	100½	11.07		11.19
ecu 50	Primary Industry Bank	9⅝	'92 Apr	103	9.11		9.47
ecu 40	Primary Industry Bank	11¼	'93 Jul	110	9.41		10.23
$ 140	Quantas Airways	10⅜	'95 Jul	98	10.77		10.59
$ 100	Queensland	11⅞	'89 Dec	103¾	10.37		11.82
$ 100	Queensland	10¼	'95 Aug	96½	10.84		10.62
$ 30	Queensland Alumina	8½	'86 Mar	100	8.34	8.33	8.50
$ 25	Queensland Alumina	8¼	'87 Apr	97	10.28	10.18	8.51
$ 50	Rural Industries Bank	12	'91 Feb	102½	11.32		11.71
$ 100	State Bk New S Wales	11⅛	'90 Jun	102¾	10.61		11.07
$ 100	State Bk South Austr	10¼	'92 Feb	97¼	10.83		10.54
$ 20	Tnt Overseas Finance	9	'87 Aug	97½	10.45	10.81	9.23
$ 150	Treasury New S Wales	11¾	'90 May	104½	10.46		11.24
$ 150	Victoria Public Autho	11⅝	'92 Apr	103¾	10.79		11.20
$ 50	Western Mining Corp	15½	'88 Dec	103½	14.03		14.98
$ 50	Western Mining Corp	9	'92 Oct	88½	11.42	11.70	10.17
$ 100	Westpac Banking Co	12⅞	'92 Jan	102	12.36		12.62
ecu 50	Westpac Banking Co	9⅝	'92 Nov	103½	8.93		9.30
$ 100	Westpac Intl Finance	11	'90 May	100½	10.83		10.95

AUSTRIA

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 150	Austria	15½	'88 Mar	112	9.94		13.84
$ 50	Austria	8¾	'90 Aug	95	10.07	10.11	9.21
$ 100	Austria	13⅝	'92 Jul	114¼	10.59		11.93
$ 50	Austria	8⅝	'92 Jul	92½	10.18	11.00	9.32
ecu 100	Austria	10⅝	'93 Jan	108	9.07		9.84
$ 200	Austria	11¼	'95 Jan	101¾	10.92		11.06
y 30000	Austria	7	'95 Apr	100¾	6.88		6.95
ff 400	Austrian Control Bank	14	'86 Feb	101¼	10.92		13.83
cn$ 65	Austrian Control Bank	16¼	'88 Jan	111	11.45		14.64
$ 100	Austrian Control Bank	10¾	'89 Jun	101	10.46		10.64
$ 175	Austrian Control Bank	10	'91 Apr	97¾	10.52		10.23
£ 30	Austrian Control Bank	12¾	'91 Jun	104	11.26		11.78
$ 52	Austrian Control Bank	15¼	'97 Apr	119	11.87		12.86
$ 50	Austrian Control Bank	17	'94 Dec	105⅝	11.08		11.37
$ 50	Creditanstalt-Bankver	10⅝	'88 Jun	100⅛	10.50		10.70
$ 100	Creditanstalt-Ban X/w	14	'88 Jul	110	9.93		12.73
$ 100	Creditanstalt-Bankver	11¼	'90 Jul	101	10.97		11.14
$ 75	Creditanstalt-Bankver	15½	'90 Jul	112	12.13		13.84

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 75	New Brunswick Electri	9⅝	'86 Mar	95	10.65	10.96	10.26
$ 75	New Brunswick Provinc	15¼	'87 Aug	108	10.57		14.12
cn$ 75	New Brunswick Provinc	12	'95 Jan	103	11.44		11.65
cn$ 75	New Brunswick Provinc	11⅝	'95 Jun	101	11.43		11.51
y 10000	New Brunswick Provinc	7⅛	'95 Jul	101½	6.91		7.02
$ 25	Newfoundland Lab Hydr	9⅛	'86 Mar	99¾	10.80		9.17
$ 75	Newfoundland Lab Hydr	17¼	'89 Nov	114	12.73		15.13
$ 35	Newfoundland Municipa	9¼	'88 Sep	97	10.42		9.54
$ 20	Newfoundland Province	8½	'86 Mar	99	10.26	10.26	8.59
$ 50	Newfoundland Province	9	'89 Feb	96	10.38		9.38
$ 80	Newfoundland Province	17¼	'87 Oct	114	12.65		15.13
$ 60	Newfoundland Province	13⅜	'90 Feb	104½	12.08	11.58	12.92
$ 50	Newfoundland Province	9⅛	'90 Jun	95½	10.47		9.69
$ 75	Newfoundland Province	15½	'90 Aug	115½	11.28		13.42
$ 75	Newfoundland Province	13	'91 Apr	107½	11.11		12.09
$ 50	Newfoundland Province	10	'94 Mar	93	11.29		10.75
cn$ 60	Norcen Energy Res	13¾	'93 Aug	104¼	11.90		12.23
$ 100	Nova An Alberta Corp	16⅛	'89 Jan	106¼	13.55		15.22
$ 50	Nova Scotia Power	9¾	'88 May	98	10.39	10.47	9.95
cn$ 18	Nova Scotia Power	9½	'94 Jul	99¼	9.62		9.57
$ 75	Nova Scotia Province	15⅛	'89 Mar	113	11.09		13.94
$ 75	Nova Scotia Province	15¼	'89 Aug	112½	11.17		13.56
$ 50	Nova Scotia Province	10⅛	'90 Jul	101	10.47	10.42	10.64
$ 100	Nova Scotia Province	11⅝	'97 Feb	104¼	10.53		11.22
$ 75	Nova Scotia Province	15	'91 Jun	109½	12.59		13.70
cn$ 100	Nova Scotia Province	11⅝	'95 Feb	100½	11.51		11.57
$ 100	Nova Scotia Province	11⅞	'98 Feb	104½	11.05		11.34
$ 100	Ontario Hydro	8⅝	'86 Sep	99¼	8.73		8.52
$ 125	Ontario Hydro	8	'87 Apr	108	3.00		7.41
$ 150	Ontario Hydro	14⅜	'89 Apr	113	10.71		13.05
$ 200	Ontario Hydro	11¼	'89 Dec	103½	10.18		10.87
$ 250	Ontario Hydro	10⅛	'90 May	100½	10.09		10.20
$ 200	Ontario Hydro	11⅝	'90 Sep	106	10.17		11.08
$ 100	Ontario Hydro	13½	'91 Feb	111½	10.61		12.11
$ 150	Ontario Hydro Aug	16	'91 Aug	116	12.11		13.79
$ 200	Ontario Hydro Nov	16	'91 Nov	116¼	12.11		13.76
$ 150	Ontario Hydro	15	'92 Aug	119	10.96		12.61
$ 200	Ontario Hydro	12¾	'92 Oct	110¾	10.52		11.51
$ 200	Ontario Hydro	11⅝	'94 Feb	104½	10.76		11.12
$ 35	Ontario Hydro-Electr	8⅛	'86 Jan	99¼	9.92	9.92	8.31
$ 25	Ottawa-Carleton	9⅛	'90 Mar	93½	11.47	12.55	10.20
cn$ 30	Ottawa-Carleton	12½	'94 Dec	105½	11.48		11.85
$ 40	Ottawa-Carleton	14⅜	'97 Jun	111¼	12.83	12.06	13.26
cn$ 65	Panacanadian Petroleum	14½	'88 Dec	105¾	14.22		15.64
cn$ 50	Panacanadian Petroleum	12½	'93 Apr	104½	11.55		11.96
$ 50	Polysar	9½	'86 Dec	99¼	10.04		9.57
cn$ 25	Quebec City	16½	'87 Feb	108	10.33		15.28
cn$ 25	Quebec City	13¼	'92 Dec	108	11.54		12.27
cn$ 15	Quebec City	10¾	'94 Oct	99	10.91		10.86
cn$ 15	Quebec City	10	'95 Nov	96	10.64		10.42
$ 100	Quebec Hydro	16¼	'88 Feb	112	10.46		14.51
cn$ 50	Quebec Hydro Mar	16½	'89 Mar	106	14.15		15.57
cn$ 50	Quebec Hydro May	16½	'89 May	107	13.91		15.42
cn$ 75	Quebec Hydro	14	'91 Jul	108	12.01		12.96
$ 150	Quebec Hydro	17¼	'91 Oct	124½	11.46		13.86
cn$ 60	Quebec Hydro	14	'92 Nov	108	12.24		12.96
$ 100	Quebec Hydro	11½	'92 Dec	103	10.86		11.17
cn$ 50	Quebec Hydro	12¾	'93 Sep	106	11.56		12.03
$ 15	Quebec Hydro-Electric	9¼	'85 Oct	100¼	3.27	3.24	9.18
$ 20	Quebec Hydro-Electric	8¼	'86 Mar	99½	9.01	9.01	8.29
$ 125	Quebec Hydro-Electric	8½	'86 Nov	98½	9.81		8.63
$ 25	Quebec Hydro-Electric	8½	'86 Nov	98½	9.76	10.25	8.63
$ 30	Quebec Hydro-Electric	8½	'89 Feb	95	10.25	10.61	8.95
$ 100	Quebec Hydro-Electric	13	'91 Feb	105¼	11.68		12.35

—HIGHEST YIELDS—
to Average Life Below 5 Years

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 35	Brazil	8⅛	'87 Dec	82½	18.15	25.51	10.00
$ 20	Colombia	8¼	'88 Feb	81½	18.12	22.94	10.12
$ 15	Ward Foods O/s Capita	5¾	'88 Nov	72	17.91	20.02	7.99
$ 15	Venezuelan Telephone	8¼	'87 Dec	84½	16.77	18.77	9.76
$ 20	Singapore	7¾	'87 Nov	91	12.62	14.16	8.52
$ 50	Eni Ente Naz Idrocar	7	'88 Jan	88	13.04	15.78	7.95
$ 50	Consorzio Di Credito	7½	'90 Jan	88	11.08	13.60	8.52
$ 25	Hamersley Iron Fin	8	'87 Nov	93	11.67	13.57	8.60
$ 30	Bauxites De Guinee	8	'90 Dec	87	11.33	13.54	9.20
ff 50	Bass Charrington	7½	'87 Aug	90	13.63	15.56	8.33
ff 100	Bei Intl Finance	7½	'87 Nov	89½	13.13	15.24	8.38
ff 100	Oslo City	7¼	'87 Mar	92¾	12.62	14.39	7.82
ff 200	Renault	7¼	'87 Mar	91½	13.47	14.76	7.92
ff 100	Basf Transatlantica	7½	'87 May	91½	13.30	14.64	8.20

—HIGHEST YIELDS—
to Average Life Above 5 Years

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 50	Caisse Nat Autoroutes	9⅛	'97 Mar	82	12.07	13.61	11.13
$ 50	Hudsons Bay	10	'94 Feb	90½	11.88	12.47	11.05
$ 75	Caisse Nat Autoroutes	15⅞	'97 Mar	115½	13.15	12.44	13.74
$ 50	Dome Petroleum	10	'94 Jul	89½	11.97	12.37	11.17
$ 50	Ingersoll-Rand Intl	13¼	'95 Oct	104½	12.43	12.25	12.68
$ 40	Australian Mini Smelt	9¼	'92 Jan	88½	11.78	12.19	10.45
$ 200	World Bank	8⅜	'02 May	77	11.37	12.15	10.71
$ 40	Ottawa-Carleton	14⅜	'97 Jun	111¼	12.83	12.06	13.26
$ 50	Macmillan Bloedel	9⅛	'93 Mar	88	11.78	12.02	10.51
cn$ 50	Canadian Utilities	17	'96 Dec	116½	13.97	13.33	14.59
ecu 50	Euratom	11⅛	'93 Apr	108¾	11.44	11.40	11.54
£ 15	Eib Europ Invest Bank	12	'91 Jul	102¼	11.44	11.38	11.74
£ 30	Indust Bank Japan Fin	11⅛	'95 Dec	102¼	11.14	11.01	11.31
cn$ 40	Royal Bank Of Canada	9	'92 Feb	97½	10.63	10.83	9.73

—HIGHEST CURRENT YIELDS—

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 70	Northern Indiana Publ	17¼	'88 Oct	107½	16.10		16.83
$ 150	Cities Service O/s	17	'88 Sep	101¾	16.19		16.71
$ 75	Pemex Petroleos Mexic	17½	'86 Nov	105	12.64		16.67
$ 54	Brit Columbia Municip	17	'85 Oct	102¼	5.34		16.63
$ 175	Mexico	18⅜	'97 Jul	112½	16.07		16.44
$ 75	Transcanada Pipelines	17¾	'88 Oct	108½	14.15		16.36
$ 75	Genstar	17½	'89 Oct	107¼	14.98		16.32
$ 60	Gulf States O/s Finan	17⅝	'88 Oct	107½	14.31		16.28
$ 75	Occidental Intl Finan	16⅞	'87 Mar	103¼	14.06		16.22
cn$ 60	General Motors Accept	18	'87 Oct	102½	16.42		17.56
cn$ 40	Consolidated-Bathurst	17⅛	'92 Feb	102¼	15.24		16.87
cn$ 60	Hudsons Bay	18	'87 Nov	107	14.00		16.82
cn$ 100	Feder Business Dev Bk	17⅛	'86 Oct	106	11.98		16.75
cn$ 50	Nacional Financiera	17⅞	'87 Mar	106½	12.85		16.67

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 125	Caisse Nat Energie	11¾	'95 Feb	104½	10.94		11.24
$ 30	Caisse Nat Telecomm	9	'86 Mar	99¼	8.33	8.34	8.82
$ 100	Caisse Nat Telecomm	9½	'86 Jun	100½	8.78		9.45
$ 20	Caisse Nat Telecomm	12½	'89 Oct	102¼	11.78		12.22
$ 100	Caisse Nat Telecomm	13¼	'91 Jun	112½	10.74		12.22
ecu 75	Caisse Nat Telecomm	9¾	'92 Apr	106½	8.42		9.15
$ 75	Caisse Nat Telecomm	9	'93 May	92	10.55		9.78
ecu 75	Caisse Nat Telecomm	9⅞	'95 Apr	104¼	9.18		9.47
$ 400	Charbonnages France	13½	'85 Dec	101	10.24		13.14
cn$ 40	Charbonnages France	11⅞	'95 Jun	101½	11.59		11.70
$ 75	Cie Bancaire	13⅞	'90 Jun	110	11.05		12.61
$ 100	Cie Fin De Paribas	13⅞	'89 Sep	108½	11.15		12.79
$ 35	Cie Nat Du Rhone	8⅛	'86 Oct	99¼	8.93		8.17
$ 20	Ciments Lafarge	8⅞	'86 Mar	100¼	8.18	8.17	8.73
$ 100	Ciments Lafarge	7½	'87 Jul	95¼	10.39	10.84	7.87
ecu 50	Club Mediterranee	9	'88 Oct	101	8.61		8.91
$ 50	Credit Equipm Petit M	12½	'90 Feb	102¼	11.63		12.17
$ 200	Credit Foncier Fr X/w	10⅞	'91 May	101	10.61		10.77
$ 200	Credit Foncier France	12½	'90 Jul	107½	10.90		11.63
ecu 100	Credit Foncier France	11⅜	'93 Feb	108¼	9.99		10.74
ecu 70	Credit Foncier France	11⅛	'95 Aug	110	9.61		10.11
$ 50	Credit Lyonnais	10¾	'94 Jan	97¼	11.25		11.05
$ 50	Credit National	13⅝	'86 Jan	102¼	7.23		13.45
$ 100	Credit National	8½	'86 Dec	99	9.26	9.74	8.59
ecu 50	Credit National	10⅝	'94 Dec	103	9.71		9.71
$ 100	Electricite France	7⅞	'86 Apr	101	7.90		9.53
$ 20	Electricite France	8⅛	'86 May	100	8.40	8.37	8.50
$ 20	Electricite France	8⅞	'87 Jun	98	9.73		8.67
$ 150	Electricite France	12¾	'87 Oct	106	9.55		12.03
$ 125	Electricite France	13	'88 Jan	101	12.48		12.87
$ 125	Electricite France	10	'88 Jul	100½	9.77		9.95
$ 100	Electricite Franc X/w	14⅛	'89 Apr	117½	10.39		12.09
$ 100	Electricite France	11½	'90 May	101½	10.88		11.08
$ 100	Electricite France	11⅛	'93 May	102	10.71		10.91
y 20000	Electricite France	6⅞	'95 Jan	100¼	6.79		6.84
$ 125	Electricite France	10	'95 Jul	94½	10.93		10.58
ecu 150	Electricite France	9	'97 Aug	99½	9.07		9.85
$ 150	Elf Aquitaine	12	'90 Nov	104½	10.74		11.46
$ 60	Erap (France)	9⅛	'85 Nov	100¼	6.43		9.48
$ 20	Francaise Petroles	6	'85 Oct	100	5.85	5.85	6.00
$ 100	Gaz De France	13⅞	'86 Jan	102½	6.48		13.15
dkr 100	Gaz De France	13	'87 Sep	105¼	9.82		12.39
£ 75	Gaz De France	15	'89 Nov	105½	13.17	12.99	14.22
$ 175	Gaz De France	12½	'93 May	104½	10.94		11.50
$ 500	Gaz De France	11⅜	'00 May	100¼	11.20		11.32
$ 40	Lafarge Coppee	15½	'89 Apr	110½	11.75	9.19	14.03
$ 20	Le Nickel	9	'86 May	100¼	8.55	8.54	8.98
$ 75	Michelin	9¼	'86 Mar	100	9.07	9.07	9.25
$ 50	Michelin	7½	'88 Feb	93	10.79	11.02	8.06
$ 125	Michelin	10	'94 Aug	92½	11.37	11.65	10.81
$ 60	Michelin O/s	9⅛	'88 Sep	95½	11.03	11.17	9.49

ZERO-COUPON BONDS

Aug. 15

Security	Final Maturity	Original Offerings Amt	Original Offerings Year	Original Offerings Price	Offered Price
American Intl Group	15 Aug 2004	$ 150	1984	12	13½
Asian Develop Bank	31 Aug 2004	$ 1000	1984	10½	12½
Atlantic Richfield Os	4 Feb 1992	$ 500	1982	25¾	50
Baker Intl Finance	25 Feb 1992	$ 225	1982	24.70	48½
Beatrice Foods O/s	9 Feb 1992	$ 250	1982	25½	49¼
British Petrol Capita	20 Jun 1995	$ 182	1985	26.50	9¾
Campbell Soup O/s Fin	21 Apr 1992	$ 200	1982	27	50
Caterpillar Fin Serv	11 Aug 1992	$ 300	1982	24	45¾
Caterpillar Fin Serv	11 Feb 1994	$ 140	1982	19.84	38¼
Centrust Savings Bank	15 Feb 2010	$ 1280	1985	5.995	6¼
Commerzbank	22 May 1995	dm 300	1985	50	53¾
Commerzbank	4 Aug 2000	dm 300	1985	33½	36¼
Dow Chemical	30 May 1997	$ 300	1985	29	29
Du Pont O/s Capital	11 Feb 1990	$ 300	1982	33.98	64¾
Exportfinans	3 Oct 1994	$ 340	1984	32¾	37½
Electricite France	11 Sep 1994	$ 500	1984	33¼	37¾
Exxon Capital	15 Nov 2004	$ 1800	1984	11.65	13
Florida Feder Savings	15 Jul 1995	$ 140	1985	34.15	33¼
Gaz De France	23 Feb 1992	$ 150	1982	25.82	50
Gaz De France	1 Mar 1994	$ 150	1982	19.35	40
General Electric Cred	17 Feb 1992	$ 400	1982	26.88	51
General Electric Cred	17 Feb 1993	$ 400	1982	22.80	45¾
General Electric Cred	4 May 1994	$ 200	1982	19⅝	41
General Electric Cred	4 Mar 1995	$ 500	1982	17¼	37½
General Electric Cred	10 Jul 1996	$ 400	1984	25.55	32
General Mills Inc	15 Aug 2004	$ 250	1984	11.05	11¾
General Mills Inc	15 Aug 2013	$ 1000	1984	4.80	4½
Gmac O/s Finance	10 Feb 1990	$ 150	1982	34	64¾
Gmac O/s Finance	3 Feb 1992	$ 750	1982	25¾	51
Gmac O/s Finance	1 Oct 1992	$ 400	1982	23¾	47¾
Gulf Oil Finance	2 Mar 1992	$ 300	1982	25.82	49½
New England Life	1 Feb 1999	$ 50	1985	20⅞	22½
Nordic Investment Bk	11 Sep 1994	$ 150	1984	31⅛	37
Pearson	7 May 1992	£ 100	1985	48⅝	48
Penney Jc Global Fin	17 Feb 1994	$ 250	1982	18½	39
Pepsico Capital	4 Feb 1992	$ 100	1982	26	51⅛
Pepsico Capital	2 Mar 1994	$ 125	1982	20¾	40
Philip Morris Credit	8 Jun 1994	$ 200	1984	27⅛	38⅛
Prudential Realty Sec	15 Jan 1999	$ 365	1984	20.85	22¾
Redland Finance	25 Apr 1992	£ 40	1985	48	48
Reynolds RJ O/s	19 Feb 1992	$ 400	1982	25½	49¾
Sears Overseas	18 Feb 1992	$ 400	1982	24.72	50
Sears Overseas	27 May 1994	$ 400	1982	21⅞	38½
Sears Overseas	12 Jul 1996	$ 500	1984	20½	24½
Swedish Export Credit	10 Mar 1994	$ 200	1982	19.20	39½
Swedish Export Credit	11 Sep 1994	$ 250	1984	32.925	37½
Swiss Bank Corp	14 Nov 1997	$ 400	1984	25	27¾
Wells Fargo Intl Fin	4 Feb 1988	$ 125	1982	46⅞	78
Xerox Credit O/s Fin	11 Feb 1992	$ 250	1982	25½	49½

(Continued on Page 8)

Herald Tribune
BUSINESS/FINANCE
MONDAY, AUGUST 19, 1985

EUROBONDS

Failure of STAGS Issues Dominates Talk on Market

By CARL GEWIRTZ
International Herald Tribune

PARIS — The most talked about issue on the international capital market last week was one that aborted before it could be sold. The issue was to have been the first stripped British Treasury gilt issue — with the 26 semi-annual £7.75-million coupon payments between now and 1998 and the final £100-million principal repayment being offered as 27 separate zero-coupon bonds.

On Friday, a week after the fanfare introduction, the issue was withdrawn. Lead manager Quadrex Securities Ltd. was unable to form a syndicate to subunderwrite the transaction. A spokesman at Charterhouse Japhet, co-manager of the intended issue, said that "only two or three small banks" had agreed to participate.

Failures of this sort are rare in the market and for Quadrex, it is the second. In 1983, it proposed selling a bond issue bearing warrants to buy U.S. Treasury securities. That novel concept failed because the price set for the warrants was judged too high, but the idea was *immediately picked up and* successfully marketed by competitors who set prices more appealing to investors.

Critics argue that the proposed yields on the sterling issue were not sufficient to attract foreign investors wary about the future course of sterling. British taxes on zero-issues virtually eliminate the attraction of such paper for domestic investors.

Apart from that, marketing stripped issues is not easy. Bankers say that short maturities, those of less than five years, and the final principal repayment are relatively easy to sell.

But the mid-portion is extremely difficult to market because the amounts are minuscule and trading therefore is likely to be impossible. Thus, finding buyers takes time, requiring assiduous scouting of institutions for whom those orphan maturities fit a particular need. And that requires a managing syndicate strong enough to hold the paper until buyers can be found.

As for the investors who did commit to buy the Quadrex offering, the managing director, Kurt Marthaler, says that the firm will take care of "our customers" who switched or swapped out of existing holdings to buy the zeroes. "No one is going to be hurt," he said. He offered no details on how this would work or how much money might be involved, adding only that the firm's obligation to customers was a moral rather than legal one since the offering had not yet been finalized.

Quadrex and Charterhouse Japhet made some profit, although no one is willing to say how much, by selling the £100 million of the 15½-percent 1998 gilts at a higher price than they had paid to buy the paper.

THE rest of the week's business was largely tailored to appeal to Japanese investors who continue to be the dominant force driving the international capital market. More than half the new issues launched last week were targeted for Japan and the bulk of these were dual-currency issues where the subscription price and coupon payments are made in yen but where the principal is repaid in dollars at a rate of exchange fixed at the outset.

There were seven such issues offered last week totaling 185 billion yen. Japanese investors can pick up 1½-percent higher income on these issues over traditional yen yields. Concern about the foreign exchange risk of being repaid in dollars can be hedged if and when the actual exchange rate begins to move during the 10-year life of these bonds.

This fixed exchange rate, set at 208 yen per dollar on the issues marketed last week, virtually eliminates any appeal to foreign investors wanting to speculate on an appreciation of the yen. Japanese bankers say that more of these dual-currency bonds can be expected.

The latest crop of issuers included British Petroleum, Eksportfinans of Norway, the Federal National Mortgage Association (Fannie Mae), Honeywell, Hydro-Quebec and Phibro-Salomon who use the proceeds as fodder for a swap into very low-cost dollars.

In the dollar market, two Japanese firms — Chubu Electric power and Chujitsuya — launched issues targeted to appeal to Japanese investors. Foreign currency issues made by Japanese domiciled companies can be bought by investors who want to skirt restrictions on the purchase of foreign currency assets.

How much further this demand, as well as the much bigger

(Continued on Page 9, Col. 1)

Eurobond Yields
For Week Ended Aug. 14

U.S.$ lg term, int'l inst.	10.93 %
U.S.$ long term, ind.	10.80 %
U.S.$ medium term, ind.	10.65 %
Con.$ medium term	11.11 %
French Fr. short term	12.05 %
Sterling medium term	11.03 %
Yen medium term, int'l inst.	6.84 %
Yen lg term, int'l inst.	6.85 %
ECU short term	8.53 %
ECU medium term	9.09 %
ECU long term	9.34 %
EUA long term	8.87 %
LuxF med term int'l inst.	9.91 %
LuxF medium term	9.44 %

Calculated by the Luxembourg Stock Exchange.

Market Turnover
For Week Ended Aug. 15
(Millions of U.S. Dollars)

	Total	Dollar	Non-dollar Equivalent
Cedel	15,481.9	11,235.1	4,156.8
Euroclear	27,251.6	23,440.8	3,810.8

Icahn Warns on TWA Bid

Challenge Aimed At Texas Air

By Agis Salpukas
New York Times Service

NEW YORK — Carl C. Icahn has warned directors of Trans World Airlines that he might lower his $24-a-share bid for the company if the board gives Texas Air options to buy valuable assets.

Mr. Icahn's letter to the directors, released Friday, was his first response to discussions between TWA and Texas Air Corp. aimed at preventing the New York investor, who owns 45.54 percent of TWA, from gaining control. Frank A. Lorenzo, president of Texas Air, won an agreement in July to acquire TWA, and recently raised his offer to $26 a share.

The letter warned the board that if it allowed Texas Air to gain control, some TWA unions could disrupt operations. Mr. Icahn has obtained agreements from the leaders of two unions at TWA, the pilots and the machinists, for major concessions in return for his commitment to take over the airline.

Mr. Icahn also suggested that he might challenge in court a board payment to Texas Air if the deal fell through. Texas Air could receive about $50 million from stock options, an $18-million penalty and profits from shares it already owns in TWA if its offer did not succeed.

"It is important for you to realize," Mr. Icahn wrote, "that the increased Texas Air bid should be viewed as nothing more than a thinly disguised attempt to strong-arm me to raise my $24 proposal purely so Texas Air could receive a greater price for its existing lockup options and the 2.2 million TWA shares which it presently owns."

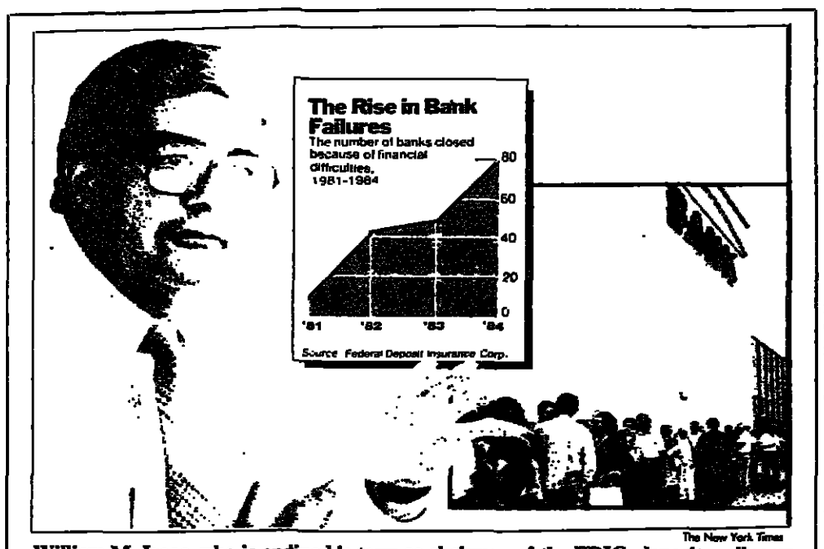
Mr. Icahn stopped short of topping Texas Air's bid. A higher bid would make the discussions about the proposed sale of valuable assets moot, because Texas Air has said that the options would not be valid if there was a higher offer.

John V. Pincavage, airline analyst for Paine Webber Inc., said that if Mr. Icahn lowered his bid, it might depress the price of the stock, which closed Friday on the New York Stock Exchange at $22.375, off 37.5 cents.

Mr. Icahn said in Friday's letter that Texas Air raised its bid to $26 a share only "when it knew it would never have to perform, realizing that my relationship with your unions motivates me to oppose any Texas Air bid."

Analysts say Mr. Icahn could easily block any attempt by Texas Air to acquire the company in a vote of stockholders. Analysts say Mr. Lorenzo has a chance only if the TWA board grants proposals made by Texas Air last week to issue more common stock to dilute Mr. Icahn's holdings to about one third and to give Texas Air options to buy TWA's computer reservation system and its international routes.

Such steps would make the company less attractive to Mr. Icahn.



The New York Times

William M. Isaac, who is ending his term as chairman of the FDIC; depositors line up outside the Penn Square Bank of Oklahoma City after the bank's collapse in July 1982.

Isaac Ends Eventful Tenure at FDIC

By Robert A. Bennett
New York Times Service

NEW YORK — In his five and a half years as chairman of the Federal Deposit Insurance Corp., William M. Isaac has been put through the wringer.

He was fated to serve as one of the primary guardians of the confidence in the United States financial system during its most tumultuous period since the Great Depression. Bank failures soared amid a steep recession and record high interest rates. And conventional banking was turned inside out as bankers rushed into new markets opened by financial deregulation.

Mr. Isaac found himself dealing with the rescue of hundreds of banks, ranging from the smallest rural institutions to the giant Continental Illinois National Bank of Chicago, whose plight rattled the financial world, both in the United States and abroad.

But Mr. Isaac has transformed a sleepy, largely reactive agency into a powerful force in banking. For all practical purposes, his agency has called the shots at Continental Illinois, hiring and firing directors, and it has played an increasingly active role in the executive suites at other banks, too.

Moreover, he has sought — often successfully — to allow market forces to exert greater pressures on banks, through higher insurance premiums, increases in bank capital requirements, greater disclosure and more limited coverage of deposits in failed banks.

He has made some mistakes, too. His public comments on pulling the agency's traditional safety net out from under large depositors is believed to have fed the nervousness of money managers and, some say, may have contributed to the problems at Continental Illinois.

"Many of our guys would say that some of Bill Isaac's recent policies were very, very disturbing," said Kenneth A. Guenther, executive vice president of the Independent Bankers Association of America, the trade organization of many of the small U.S. banks. "Despite this, we think history will indicate that Isaac's tenure at the FDIC has been intelligent, pragmatic and that he has helped the financial system through some severe crises."

Mr. Isaac's tenure is to end around Oct. 1. The Reagan administration has nominated L. William Seidman, dean of the College of Business at Arizona State University, to succeed Mr. Isaac. But when the 41-year-old attorney departs, his mark on the agency and on banking will remain.

Until Mr. Isaac appeared, the FDIC had a limited role. It was established in 1933 to maintain

(Continued on Page 11, Col. 5)

Resorts Reveals Acquisition of 8.8% of Pan Am

By Richard W. Stevenson
New York Times Service

NEW YORK — Resorts International Inc. has disclosed that it owns an 8.8-percent stake in Pan Am Corp., the parent company of Pan American World Airways.

Resorts, a hotel and gambling concern, said Friday in a filing with the Securities and Exchange Commission that it purchased the stock as an investment and that it does not expect to increase its share in the troubled airline to more than 10 percent.

The announcement came two months after Resorts made a bid to acquire Trans World Airlines for $22 a share, or a total of $759 million, according to Wall Street sources. That bid was rejected by TWA in favor of a higher offer from Texas Air Corp.

Resorts has long sought to purchase an airline. Rumors of its interest in Pan Am have been widespread on Wall Street in the past several weeks. During that time, about a quarter of Pan Am's stock has traded hands.

Pan Am declined to comment on the announcement, saying it had not yet had a chance to study the filing. Resorts officials could not be reached for comment late Friday.

The announcement came after the close of trading on the New York Stock Exchange. Pan Am closed at $8 in consolidated trading, up 25 cents a share.

The Resorts statement that it owns 8.8 percent of Pan Am apparently is based on 104 million shares outstanding. However, Pan Am actually has 127 million shares outstanding after the recent completion of a convertible bond conversion, according to a Pan Am spokesman. Based on 127 million shares, a takeover of Pan Am would cost at least $1 billion.

Pan Am has been struggling for several years. This spring it agreed to sell its Pacific routes to United Airlines for $750 million, reducing its size by 23 percent and giving up its role as a worldwide carrier.

The company has been plagued by financial problems. It lost $206.8 million last year and was hurt early this year by a 28-day strike by the Transport Workers Union. In the second quarter, Pan Am lost $72 million, compared with a loss of $49.8 million in the second quarter last year.

John V. Pincavage, Paine Webber's airline analyst, said he believes Pan Am stock is undervalued and worth from $10 to $15 a share.

Judge Approves Laker Settlement

The Associated Press

LONDON — A British judge has approved a $48-million out-of-court settlement of Laker Airways' U.S. antitrust suit against 10 competitors over the 1982 collapse of the no-frills trans-Atlantic carrier.

The judgment Friday was a defeat for the defunct airline's founder, Sir Freddie Laker, who had described the proposed settlement as "pitifully inadequate and ill-considered."

High Court Judge Sir Nicholas Browne-Wilkinson said that the settlement provides for full payment for more than 16,000 small creditors, including about 14,000 ticket-holders and 2,300 former employees. He made no mention of a separate $8 million offered to Sir Freddie personally on condition he not pursue further legal action.

U.S. Fails to Cut Steel Imports, but Sees Reduction in 2d Half

New York Times Service

CHICAGO — The Reagan administration has failed to reduce imports of steel to the United States, industry executives said last week, despite a pledge made 11 months ago to do so.

Last September, President Ronald Reagan said he would seek to negotiate with foreign steel producers a five-year agreement to voluntarily limit their exports of finished steel products to the United States to 18.5 percent of the domestic market a year. Semifinished steel slabs from abroad were allotted an additional 1.7 percent of the domestic market.

The American Iron and Steel Institute said last week that for the first half of 1985, steel imports were about 13 million tons, or 26.2 percent of the supply in the U.S. market. The figure compared with about 12.5 million tons, or 24.2 percent of the market, for the corresponding period in 1984.

However, administration officials said that steel imports should be dramatically reduced in the second half of the year, as recently negotiated agreements take effect and importers run up against quota limits.

NYT

Donald H. Trautlein

Donald H. Trautlein, chairman of Bethlehem Steel Corp. and of the steel institute, said on Friday: "We deeply appreciate the efforts that have been made and recognize that a great deal has been accomplished. However, imports to date remain unacceptably high and there are few indications in our order book that would lead us to believe that the availability of imports is about to drop dramatically."

John E. Jacobson, steel analyst with Chase Econometrics in Bala-Cynwyd, Pennsylvania, said, "The surge in June import figures to close to 30 percent of the market was alarming."

He predicted, however, that imports for the second half would be down to 10 million tons or below. Last year, imports totaled 26.2 million tons.

The 18.5-percent target of Mr. Reagan's plan will not be met precisely, but it will have a "restraining effect" this year, Mr. Jacobson said.

"The program is working. Imports will be a whole lot less in the second half," said Charles H. Blum, assistant U.S. trade representative for industrial trade policy.

The U.S. government has negotiated agreements with 14 steel-exporting nations, including Japan, Brazil, Mexico, South Africa, Spain and South Korea. The bilateral agreements cover 81 percent of steel imports into the United States, according to the Commerce Department.

Even representatives of steel importers agree that for the first six months of the president's program, which began last Oct. 1, uncertainties about quota limits and product categories encouraged foreign companies to ship the bulk of their expected quota early in the year.

Fernand Lamesch, president of the American Institute for Imported Steel, acknowledges that some foreign producers increased shipments.

"They thought that they couldn't lose by slightly overdoing it," he said. "But over the longer term, the import numbers will come down. They have to. If they don't you don't get a license for future shipments."

He said that the current high import figures reflect, in part, transactions six month old of U.S. customers with steel producers abroad.

"The fact is that there is little dynamic activity in the marketplace for imported steel today," Mr. Lamesch said. "I think you will see the numbers for July down substantially, showing how dramatically the president's program is working."

Walter F. Carter, steel industry analyst with Data Resources Inc. in Lexington, Massachusetts, said the effectiveness of the president's program would not be known until next year.

Japan and the European Community, which has a separate set of agreements limiting steel exports dating to 1982, each have allotments of about 6 percent of the U.S. market. Canada, which does not have a formal agreement, supplies about 3 percent of the U.S. market.

However, according to Mr. Carter, it is the growing group of Third World steel producers that may imperil Mr. Reagan's voluntary restraint agreement. The American Iron and Steel Institute estimates that 75 countries will export steel to the United States this year, up from 59 nations in 1984.

Mr. Blum, the government's assistant trade representative, said that additional measures needed to reduce import levels included extension of the agreements with the EC, most of which expire at the end of this year; reaching an understanding with Canadian steel producers who "pushed excessive amounts of steel into this country in June"; and tracking shipments from new suppliers such as Chile, Zimbabwe and Algeria.

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes

United States

	Last Wk.	Prev. Wk.	Ch'ge
DJ Indus.	1,312.72	1,320.79	—0.60 %
DJ Util.	157.16	155.06	+1.50 %
DJ Trans.	666.78	679.89	—1.90 %
S & P 100	179.75	182.45	—1.50 %
S & P 500	186.12	188.33	—1.20 %
NYSE Cp.	107.94	109.06	—1.00 %

Source: Prudential/Bache Securities.

Britain

FTSE 100	1,298.90	1,286.50	+0.96 %
FT 30	974.30	957.20	+1.78 %

Hong Kong

Hang Seng	1,700.37	1,676.51	+1.40 %

Japan

Nikkei DJ	12,583.08	12,401.19	+1.47 %

West Germany

Commerzbk	1,418.50	1,413.10	+0.38 %

Source: James Capel & Co., London.

Money Rates

United States	Last Wk.	Prev. Wk.
Discount rate	7½	7½
Federal funds rate	8⅛	7 9/16
Prime rate	9½	9½
Japan		
Discount	5	5
Call money	6¼	6¼
60-day interbank	6⅝	6⅝
West Germany		
Lombard	5.50	6
Overnight	4.80	4.80
1-month interbank	4.75	4.80
Britain		
Bank base rate	11½	11½
Call money	12¼	11¼
3-month interbank	11	11 3/32

Dollar	Last Wk.	Prev. Wk.	Ch'ge
Bk Engl Index	135.90	138.30	—1.74 %
Gold			
London p.m. fix, $	335.35	321.65	+4.26 %

Currency Rates

Cross Rates
Aug. 16

	$	£	D.M.	F.F.	It.L.	Gldr.	B.F.	S.F.	Yen
Amsterdam	2.1145	4.256	172.635 *	36.835 *	0.168 *	—	5.55 *	137.16 *	131.38 y
Brussels(a)	56.0725	78.49	20.275	6.632	3.03 *	18.0215	—	24.725	23.67 *
Frankfurt	2.763	3.871	—	32.695 *	1.493 x	88.77 *	4.926 *	121.85 *	1.167 *
London (b)	1.3993	—	3.8508	11.8288	2.5915	4.3518	78.415	3.1625	331.82
Milan	1,853.90	2,592.00	670.15	219.06	—	595.25	33.05	816.00	7,814
New York(c)	—	0.7135 =	2.753	8.425	1,845.00	3.1095	55.90	2.256	234.75
Paris	8.456	11.809	3.0585	—	4.5685 x	2.7157	15.0775 *	3.723	3.5655 *
Tokyo	237.00	332.03	85.74	28.04	12.79 *	7.6.25	422.83 *	104.68	—
Zurich	2.2635	3.1667	82.01 *	26.835 *	0.1224 *	72.82 *	4.045 *	—	0.9564 *
1 ECU	0.8048	0.5751	2.225	6.8049	1,490.86	2.5057	45.1243	1.8262	190.533
1 SDR	1.93689	0.74037	2.86493	8.76794	1,922.81	3.2294	58.141	2.3506	245.224

Closings in London and Zurich, fixings in other European centers. New York rates at 4 P.M. (a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (*) Units of 100 (x) Units of 1,000 (y) Units of 10,000 N.Q.: not quoted: N.A.: not available. (=) To buy one pound: $U.S.1.4015

Other Dollar Values

Currency	per U.S.$	Currency	per U.S.$	Currency	per U.S.$	Currency	per U.S.$
Argen. austral	0.80	Fin. markka	5.895	Malay. ring.	2.4585	S. Kor. won	885.05
Austral. $	1.4265	Greek drac.	129.50	Mex. peso	334.00	Span. peseta	143.10
Austr. schil.	19.40	Hong Kong $	7.7905	Norw. krone	8.165	Swed. krona	8.245
Belg. fin. fr.	56.38	Indian rupee	11.8906	Phil. peso	17.50	Taiwan $	40.55
Brazil cruz.	4,680.00	Indo. rupiah	1,117.00	Port. escudo	164.50	Thai baht	26.735
Canadian $	1.3534	Irish £	0.8905	Saudi riyal	3.65	Turkish lira	530.95
Danish krone	10.015	Israeli shek.	1,485.50	Sing. $	2.2045	UAE dirham	3.6725
Egypt. pound	0.7937	Kuwaiti dinar	0.3019	S. Afr. rand	2.439	Venez. boliv.	14.15

£ Sterling: 1.2455 Irish £

Sources: Banque du Benelux (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham). Other data from Reuters and AP.

Owner of U.S. Nuclear Plant Cites Cash-Flow Crisis

The Associated Press

NEW ORLEANS, Louisiana — Middle South Utilities Inc. has acknowledged that it has a "very critical cash-flow crisis" that cannot be resolved unless its subsidiaries are granted rate increases to cover the cost of nuclear power.

A Securities and Exchange Commission report said there is a possibility that the company may file for protection from creditors under Chapter 11 of the U.S. Bankruptcy Code.

After the report was made public, 5.4 million shares of Middle South were traded Friday on the New York Stock Exchange — the most actively traded stock — and share prices fell $1.50 to close at $9.125.

The SEC's top utility regulator, William Weeden, was quoted as saying that "Middle South is scared to death."

Middle South's treasurer, Drake Keith, demurred at that description on Friday, preferring to say that the company was very concerned.

He said that the SEC report had essentially repeated what Middle South and its subsidiaries have been telling utility regulators in their requests for rate increases to pay for their shares of power from the $3.5-million Grand Gulf 1 nuclear plant in Port Gibson, Mississippi.

"The system is in a very critical cash-flow crisis right now," he said.

Mr. Keith said Middle South's four operating companies paid more than $80 million Thursday for their first month of nuclear power from Grand Gulf, but cannot keep paying those bills without rate increases to cover them.

"If you're talking $80 million to $90 million a month, you can see that the numbers get real big over 60 to 90 days," he said. "We're in the position any business is faced with when it's not able to collect for a service it is rendering."

Middle South owns 90 percent of Grand Gulf. Its four operating subsidiaries are Louisiana Power & Light Co., New Orleans Public Service Inc., Arkansas Power & Light and Mississippi Power & Light.

Regulatory agencies in Louisiana, Arkansas and Mississippi have rejected rate hikes to pay for Grand Gulf. They have said that they are concerned about the high cost of the plant's power, the effect rate increases would have on the already depressed economies of the three states and whether Grand Gulf power is needed at all.

Louisiana Power & Light filed suit Friday in Baton Rouge asking for a preliminary injunction forcing the Louisiana Public Service Commission to order rate hikes to cover LP&L's 14-percent share of the plant.

LP&L went to federal court after the commission rejected its request July 30. The U.S. District Court said that it did not have jurisdiction but that withholding the rate increase might be unconstitutional deprivation of property.

Asked whether Middle South was investigating the possibility of a Chapter 11 filing, Mr. Keith said, "I think it's only prudent that you would investigate all alternatives that you might see down the road."

"But there's quite some time and a lot of things that would be done before you would get into a Chapter 11 type of situation," he said. He said that hiring already had been frozen, but refused to give further details.

Spokesmen for LP&L and New Orleans Public Service said that the utilities had to borrow money to pay their Grand Gulf bills — $8.8 million for Louisiana Power & Light and $12.4 million for New Orleans Publi Service.

Arkansas Power & Light said that its $32.8-million payment was taken from the company's general fund, while Mississippi Power & Light said that its $26.8-million bill was paid from a stock and bond sale last spring.

The charges are different for each company because they buy different shares of the plant's power.

Costs of Gasoline, Food in Britain Forced Retail Prices Down in July

Reuters

LONDON — Retail prices in Britain fell 0.2 percent in July, for an annual rate of 6.9 percent, the Employment Department has reported.

In June, retail prices rose 0.2 percent, and the annual rate was 7.0 percent. The decrease in prices in July was the largest drop since December 1982, when it also fell 0.2 percent.

Employment Secretary Tom King said Friday that there were significant declines in July in the prices of fresh foods, vegetables and gasoline.

Prices also fell in such other areas as domestic appliances, heating oil and television rental. The 9.2-percent decline in seasonal food prices in July was the largest since August 1982, when they dropped 11.2 percent.

Mr. King said that he expected Britain's inflation rate to show a decline again in August.

Meanwhile, the Confederation of British Industry, said it expected inflation in Britain to drop to around 5.5 percent by the end of the year.

Weekly International Bond Prices

Prices may vary according to market conditions and other factors.

(Continued from Page 6)

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 25	Iu Overseas	8¾	'87 Jul	97	10.56	10.66	9.02
$ 75	John Hancock O/s Fina	12	'89 Nov	102¾	11.11		11.68
$ 100	Kellogg Comp	10⅞	'90 Jan	102	10.25		10.66
$ 100	Kellogg Comp	11¼	'92 Jan	103	10.55		10.92
$ 100	Kimberly-Clark	12	'94 Dec	105¾	10.96		11.35
$ 20	Kimberly-Clark Intl	8½	'86 Apr	99	9.97	9.97	8.59
$ 75	Levi Strauss Intl Fin	11	'90 Jul	99¼	11.19		11.08
$ 100	Macy Credit Corp	11⅝	'95 Feb	103¼	11.15		11.38
$ 100	Macy Rh O/s Finance	11⅝	'91 Jan	104¼	10.64		11.27
$ 100	Manufact Hanover X/w	13½	'88 Sep	101½	11.86		13.30
$ 100	Manufact Hanover O/s	13⅝	'87 May	103	11.55		13.23
$ 50	Manufact Hanover O/s	10¾	'88 Mar	99¼	10.54		10.83
$ 100	Manufact Hanover O/s	10⅜	'90 May	97	11.07		10.57
$ 75	Mcdonalds Corporation	12¼	'87 Oct	103¾	10.19		11.81
$ 40	Mcdonalds Corporation	10⅞	'90 Apr	99½	10.98		10.93
y 25000	Mcdonalds Corporation	6½	'92 Jan	98¾	6.78		6.68
$ 75	Mcdonalds Finance Co	9⅝	'93 Feb	96	10.45		10.29
$ 75	Mcdonalds Finance Co	11⅜	'94 Jan	102½	11.12		11.34
$ 50	Mcdonnell Douglas Fin	17	'89 Feb	105	14.95		16.19
$ 100	Mellon Bank	13	'87 Sep	105½	9.88		12.32
$ 100	Mellon Financial Co	11¾	'95 Mar	101¼	11.50		11.60
$ 100	Merrill Lynch Co	12⅜	'89 Oct	105¾	11.08		12.11
$ 100	Merrill Lynch Co X/w	12½	'94 Dec	104¾	11.61		11.93
$ 200	Merrill Lynch O/s Cap	10⅝	'90 Apr	100	10.59		10.63
$ 150	Metlife Funding Inc	9⅝	'92 Jul	95½	10.82		10.08
$ 60	Middletown Trust	10½	'93 Jul	97½	10.98	11.18	10.77
$ 102	Middletown Trust	10⅞	'98 Jul	96½	11.48	11.44	11.27
$ 200	Mobil Corporation	10¼	'90 May	99½	10.36		10.30
$ 35	Mobil Intl Finance	7	'86 Aug	98½	8.62	8.36	7.11
$ 50	Montana Power Intl Fi	15⅝	'87 Dec	102¾	13.88		14.96
$ 50	Montana Power Intl Fi	14½	'89 Sep	104	12.91		13.98
$ 150	Morgan Guaranty Trust	12¼	'89 Apr	105½	10.34		11.61
$ 150	Morgan Guaranty Trust	12⅝	'89 Oct	106	10.89		11.67
$ 100	Morgan Jp Co Inc	11¼	'92 Feb	101⅞	10.83		11.06
$ 150	Morgan Jp Intl Capita	11⅜	'90 Aug	103½	10.44		10.99
ecu 50	Motorola Inc	8⅝	'92 Jul	98¾	8.87		8.73
$ 75	Motorola Inc	17¼	'94 Dec	141	12.04		12.13
$ 100	Motorola Inc	11½	'97 May	101	11.32		11.39
$ 50	Natomas O/s Finance	15⅝	'86 Jul	105¼	9.36		14.95
$ 100	Nestle Holdings Inc	9⅝	'91 Jun	101½	9.51		9.73
$ 59	New England Life	11½	'92 Feb	101	11.34	11.13	11.39
$ 149	New England Life	11⅜	'95 Feb	104	11.02	10.98	11.30
$ 50	New York Times Intl	12⅝	'87 Oct	102¼	11.20		12.41
$ 50	Niagara Mohawk Financ	17	'89 Sep	109½	13.78		15.53
$ 100	North Amer Philips	12⅝	'91 Oct	105¾	11.50		12.17
$ 25	North Amer Rockwell	8¼	'87 May	97	10.19	10.99	8.51

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 100	Tenneco Intl	17	'89 Oct	108¼	14.18		15.70
$ 300	Texaco Capital	12⅞	'87 Sep	105	10.04		12.26
$ 200	Texaco Capital	13½	'89 Aug	108	10.90		12.50
$ 150	Texaco Capital	9¾	'90 Mar	97	10.58		10.05
$ 200	Texaco Capital	10½	'90 Nov	100½	10.35		10.45
$ 250	Texaco Capital	11½	'95 May	103	11.11		11.13
$ 75	Texas Eastern Finance	15⅝	'88 Dec	102¾	14.68		15.45
$ 60	Texas Eastern Finance	15¾	'89 Jan	105¼	13.82		14.96
$ 150	Texas Instruments Intl	11⅞	'91 Mar	104	10.85		11.42
$ 30	Textron Intl	7¾	'87 Oct	94½	10.75	13.87	8.20
$ 100	Time-Life O/s Finance	10¾	'90 Jan	99½	10.86		10.80
$ 40	Trailer Train Finance	13¼	'92 Nov	104	12.35	12.02	12.74
$ 75	Transamerica Financia	7	'86 Sep	97	10.13		7.22
$ 30	Transamerica O/s Fina	8½	'86 Dec	98½	9.71	10.20	8.63
	Transco Intl	15¼	'87 Apr	103	12.99		14.81
$ 50	Transco Intl	16¼	'88 Dec	103	14.94		15.78
$ 20	Transocean Gulf Oil	9	'85 Oct	100½	5.73	5.74	8.96
$ 30	Transocean Gulf Oil	8	'86 Mar	99½	8.81	8.82	8.04
$ 40	Transocean Gulf Oil	7½	'87 Jan	96¾	10.07	10.30	7.75
y 15000	Trw Inc	7	'94 Dec	100½	6.92		6.97
$ 20	Trw O/s Finance	8¾	'86 Oct	98¾	9.88	10.53	8.86
$ 50	Uer O/s Finance	13⅝	'88 Oct	107½	12.85	12.66	13.30
$ 70	Union Camp O/s Financ	11⅜	'89 Nov	103	10.80		11.41
$ 150	Union Carbide O/s	14¾	'89 May	104	13.25		14.18
$ 30	Union Oil Intl Financ	7½	'87 Feb	97	9.73	10.65	7.73
$ 100	Union Pacific Corp	11½	'92 Apr	101¼	11.09		11.38
$ 35	United Technologies	11¾	'89 Sep	101¼	11.18		11.55
$ 100	United Technologies	12⅝	'89 Oct	103¾	11.17		11.93
y 25000	United Technologies	6⅝	'92 Jan	99	6.81		6.69
$ 150	United Technologies	11¼	'92 Jan	102	10.77		11.03
$ 20	Utah Intl Finance	8	'87 Mar	96½	10.44	11.27	8.29
$ 150	Walt Disney Productio	12½	'87 Oct	105	9.75		11.90
$ 75	Walt Disney Productio	12½	'89 Mar	104	11.03		12.02
$ 15	Ward Foods O/s Capita	5¾	'88 Nov	72	17.91	20.02	7.99
$ 100	Warner-Lambert Intl	10¼	'90 Feb	100½	10.07		10.20
$ 100	Wells Fargo Co	13⅝	'91 Sep	107	11.69		12.50
$ 100	Wells Fargo Co	12⅝	'91 Dec	101¾	12.17		12.41
$ 75	Wells Fargo Intl Fina	15	'85 Sep	101	1.07		14.85
$ 75	Wells Fargo Intl Fina	15	'87 Mar	102½	12.99		14.63
$ 50	Weyerhaeuser Capital	10½	'90 May	99	10.75		10.61
$ 60	Weyerhaeuser Capital	11½	'90 Nov	100	11.47		11.50
$ 150	Weyerhaeuser Co	12¼	'87 Oct	103¾	10.19		11.81
$ 150	Xerox Credit Corp	10¾	'89 Jun	100	10.73		10.75

FOREIGNTARGETED BONDS OF THE US TREASURY AND OF ITS AGENCIES

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
$ 1000	Us Treasury	11⅝	'88 Sep	104⅞	9.48		10.85

DM STRAIGHT BONDS

AUSTRALIA

AUSTRIA

BELGIUM

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 100	Belgelectric Finance	10½	'89 Jun	107½	8.11		9.77
dm 100	Belgelectric Finance	11	'91 Oct	114½	7.91		9.61

CANADA

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 200	Canada	8½	'89 Apr	108½	5.87		7.83
dm 100	Air Canada	9	'92 Aug	110½	7.05		8.14
dm 100	Air Canada	7⅝	'93 Jun	104⅞	6.83		7.86
dm 100	Amca Intl	8¼	'91 Dec	103¾	7.47		7.95
dm 100	Brascan Intl	8½	'88 Oct	100½	8.30	8.36	8.46
dm 100	Canadian Imperial Bk	7	'88 May	102½	5.97		6.83
dm 100	Export Develop Corp	6¾	'90 Oct	101¼	6.12		6.66
dm 100	Manitoba Hydro-Electr	6¾	'87 Jun	103	4.95	4.45	6.55
dm 200	Manitoba Province	7¼	'93 May	104½	6.40		7.06
dm 200	Manitoba Province	7¾	'94 Oct	105½	6.83		7.24
dm 100	Montreal City	8½	'86 Jul	103¾	4.06	4.06	8.19
dm 150	Montreal City	7	'87 Jul	101¼	6.28	6.34	6.91
dm 100	Montreal City	7	'89 Apr	103½	5.89	5.21	6.76
dm 100	Montreal City	6	'92 Sep	99	6.18	6.21	6.06
dm 100	Montreal City	6¾	'93 Jan	101	6.58	6.47	6.68
dm 80	New Brunswick Provinc	6¾	'87 Nov	102	5.75	4.98	6.62
dm 80	Newfoundland Province	8	'86 Aug	102	5.80	5.79	7.84
dm 100	Newfoundland Province	6½	'88 Apr	100½	6.27	6.34	6.47
dm 100	Nova Scotia Power	7	'87 Dec	100¼	6.86	6.77	6.98
dm 100	Nova Scotia Province	7¾	'86 Dec	100½	7.28	7.03	7.71
dm 100	Ontario Hydro-Electr	7½	'86 Dec	102	5.82	4.85	7.35
dm 100	Ontario Hydro-Electr	6½	'87 Jun	101	5.88	5.66	6.44
dm 100	Ontario Hydro-Electr	6½	'88 Mar	102	5.62	5.89	6.37
dm 100	Ontario Province	6	'87 Sep	101	5.47	4.99	5.94
dm 100	Quebec Hydro	7½	'89 May	104½	6.10		7.18
dm 150	Quebec Hydro	10¼	'91 Dec	114¼	7.33		8.97
dm 200	Quebec Hydro	8	'93 Feb	107¾	6.64		7.43
dm 100	Quebec Hydro	7¾	'94 May	105¼	6.92		7.36
dm 200	Quebec Hydro	7⅝	'95 Jan	107¼	6.80		6.97
dm 100	Quebec Hydro-Electric	8	'86 Sep	101	6.96	5.99	7.92
dm 100	Quebec Hydro-Electric	6½	'87 Apr	100½	6.14	6.01	6.47
dm 200	Quebec Hydro-Electric	6½	'87 Aug	101½	5.69		6.48
dm 150	Quebec Hydro-Electric	6¼	'87 Dec	101	5.76		6.19
dm 100	Quebec Hydro-Electric	6½	'88 Mar	101¾	5.72	5.26	6.39
dm 150	Quebec Province	7½	'87 Feb	101¾	6.17		7.37
dm 150	Quebec Province	7¼	'87 Jun	101½	6.32		7.14
dm 100	Quebec Province	6½	'87 Jul	103	4.79	4.39	6.31
dm 150	Quebec Province	6	'90 May	101	5.74	5.58	5.94
dm 200	Quebec Province	7¼	'91 Apr	105¾	6.25		7.09
dm 150	Quebec Province	10¾	'91 Sep	116	7.37		9.27
dm 150	Quebec Province	10⅛	'92 Feb	114¼	7.28		8.86
dm 200	Quebec Province	7¾	'95 Feb	105½	6.85		7.34
dm 100	Royal Bank Of Canada	7¾	'90 Aug	104¼	6.71		7.43

CHINA

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 150	Bank Of China	7	'92 Jun	99¼	7.11		7.04

DENMARK

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 100	Denmark	7½	'86 Feb	101¼	3.93		7.74
dm 100	Denmark	7¼	'87 May	102	5.99		7.11
dm 100	Denmark	6¾	'87 Dec	100½	6.61	6.52	6.73
dm 100	Denmark	6	'88 Feb	99¼	6.09		6.02
dm 100	Denmark	10	'88 Mar	108	6.46		9.26
dm 100	Denmark	7¾	'88 May	102½	6.69		7.56
dm 100	Denmark	6½	'89 Feb	101	6.15		6.44
dm 100	Denmark	9¼	'89 Mar	104½	7.84	7.14	8.85
dm 150	Denmark	7¾	'89 Apr	103½	6.71		7.37
dm 150	Denmark	7¾	'89 Nov	103¼	6.46		7.34
dm 100	Denmark Pp	9½	'90 May	106¼	7.84		8.94
dm 100	Denmark	8¼	'92 Feb	104	7.43		7.93
dm 100	Denmark	10¼	'92 Mar	113¼	7.46		9.02

FINLAND

FRANCE

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 100	Sncf Nat Chemins Fer	8⅝	'92 May	107¾	7.12	6.96	8.00
dm 100	Sncf Nat Chemins Fer	7⅞	'93 Mar	105¾	6.86	6.82	7.45
dm 100	Sncf Nat Chemins Fer	8⅛	'93 Dec	106¾	7.09	7.05	7.65

GERMANY

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 150	Audi Finance	7⅜	'94 Feb	103¾	6.77		7.11
dm 150	Bayer Capital Corp Pp	7⅞	'89 Nov	106¾	6.31		7.38
dm 600	Bayer Capital Cor W/w	2¾	'95 Feb	121½	.42		2.26
dm 600	Bayer Capital Cor X/w	2¾	'95 Feb	78½	5.75		3.50
dm 150	Daimler-Benz	8	'85 Nov	100¼	7.14	7.15	7.99
dm 100	Degussa Intl Fin	7½	'94 Feb	105	6.70		7.14
dm 250	Dresdner Finance W/w	4	'90 Jun	131½	3.08		3.04
dm 250	Dresdner Finance X/w	4	'90 Jun	93½	5.56		4.28
dm 250	Dresdner Finance W/w	8	'92 Sep	153	.37		5.23
dm 250	Dresdner Finance X/w	8	'92 Sep	106¾	6.76		7.49
dm 70	Haindl Finance	8	'91 Jul	107⅛	6.48		7.46
dm 150	Kaufhof Finance W/w	3¼	'94 Nov	111½	1.88		2.91
dm 150	Kaufhof Finance X/w	3¼	'94 Nov	80½	6.07		4.04
dm 100	Kloeckner-Humboldt	6¾	'87 May	100¾	6.25	6.10	6.70
dm 150	Linde Intel W/w	3¾	'94 Dec	127	.30		2.46
dm 150	Thyssen Caribbean Pp	7½	'93 Feb	102½	7.05		7.32
dm 300	Veba Intl Finance W/w	4	'93 Dec	146	1.21		2.74
dm 300	Veba Intl Finance X/w	4	'93 Dec	87¾	5.98		4.56
dm 200	Volkswagen Intl Fin	7¼	'93 Mar	103	6.72		7.04

ICELAND

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 50	Iceland	7¾	'87 Apr	101	7.04	6.80	7.67
dm 75	Iceland	9¼	'92 Jun	107¾	7.73		8.58

IRELAND

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 100	Ireland	10⅛	'86 Dec	105	6.06		9.64
dm 100	Ireland	9½	'87 Sep	106¼	6.20		8.94
dm 100	Ireland Pp	8½	'90 Jul	106¼	6.94		8.00
dm 150	Ireland	8⅝	'91 Sep	106½	7.26		8.10
dm 100	Ireland Pp	8¼	'91 Dec	104¾	7.27		7.88
dm 150	Ireland	8⅛	'92 May	106	6.97		7.67
dm 150	Ireland	8	'94 Oct	104¾	7.27		7.64
dm 200	Ireland	7⅜	'95 Feb	100¾	7.25		7.32
dm 150	Ireland	7⅞	'97 May	103¾	7.39		7.54

ITALY

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 100	Azienda Naziona-Strade	8¼	'88 Jun	104¾	6.36		7.88
dm 100	Consorzio Di Credito	8½	'91 Jan	106	7.10	6.17	8.02
dm 100	Crediop Credito Opere	8	'91 Jan	101½	7.63	7.39	7.88
dm 150	Ferrovie Dello Stato	8¾	'88 Mar	104	6.95		8.41
dm 100	Ferrovie Dello Stato	8	'91 Apr	105⅛	6.86		7.61
dm 100	Olivetti Intl (lux)	8¼	'91 Jan	108	6.43		7.64

JAPAN

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 50	Bank Of Tokyo Cura Pp	8⅝	'87 Jun	101	7.73		8.29
dm 100	Bank Of Tokyo Curacao	7¼	'90 Feb	102	6.78		7.11
dm 120	Fuji Electric Co W/w	3½	'90 Apr	109	1.12		2.87
dm 100	Fuji Intl Finance Hk	7¾	'92 Feb	105	6.77		7.38
dm 200	Honda Motor Co W/w	3⅜	'90 Mar	104¾	2.27		3.22
dm 200	Honda Motor Co X/w	3⅜	'90 Mar	90	5.92		3.75
dm 100	Indust Bank Japan Pp	7½	'89 Feb	101½	6.98		7.39

LUXEMBOURG

MEXICO

MISCELLANEOUS

NETHERLANDS

NEW ZEALAND

NORWAY

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 200	Norges Kommunalbank	6	'89 Dec	97½	6.53	6.35	6.03
dm 100	Norges Kommunalbank	6	'90 Aug	97½	6.62	6.17	6.03
dm 100	Norges Kommunalbank	7¾	'91 Jul	104½	6.87	6.37	7.42
dm 150	Norges Kommunalbank	8¼	'94 Dec	104½	7.59	7.21	7.91
dm 100	Norpipe	8	'88 Jun	101¾	7.27	6.77	7.86
dm 200	Norpipe	6	'89 Nov	99½	6.13	6.19	6.03
dm 150	Norsea Gas	7¾	'88 Dec	107½	7.06	6.92	7.21
dm 100	Norsea Gas	7	'89 Jul	101½	6.62	6.67	6.93
dm 150	Norsk Hydro	6¾	'89 Jan	101	6.42	6.28	6.68
dm 100	Norsk Hydro	8½	'92 Jun	106½	7.25	6.95	7.98
dm 100	Norsk Hydro	9	'92 Sep	106½	7.76	7.49	8.45
dm 80	Oslo City	7½	'87 Jan	102	5.91	5.35	7.35
dm 70	Oslo City	9	'87 Mar	102½	7.18	6.42	8.78
dm 80	Oslo City	8¾	'90 Mar	104¾	7.46	6.76	8.35
dm 90	Oslo City	6¾	'90 Jul	101¼	6.44	6.28	6.67
dm 100	Oslo City	7¾	'93 Mar	103¾	7.08	6.95	7.47
dm 150	Statoil Den Norske	6	'88 Sep	100¼	5.91	5.82	5.99
dm 150	Statoil Den Norske	6½	'87 Mar	100½	5.69	5.35	6.34
dm 25	Trondheim City	5¾	'88 Apr	99½	5.94	6.06	5.78

PORTUGAL

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 150	Portugal	7¾	'97 Nov	102¾	7.21		7.54

SOUTH AFRICA

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 100	South Africa	8½	'85 Nov	100	8.27	8.27	8.50
dm 100	South Africa	7	'87 Nov	99½	7.23	7.35	7.24
dm 200	South Africa	8½	'91 Dec	98½	8.80		8.63
dm 250	South Africa	7¾	'92 Dec	97¾	9.36		8.22
dm 100	Escom Electr Supply	8	'86 Mar	100	7.85	7.85	8.00
dm 100	Escom Electr Supply	6½	'87 Sep	98¼	6.92	7.52	6.33
dm 100	Escom Electr Supply	7¾	'87 Nov	102½	7.94		9.07
dm 100	Escom Electr Supply	7	'88 May	99	7.40	7.61	7.37
dm 150	Escom Electr Supply	8½	'90 Apr	98½	8.89		8.63
dm 100	Escom Electr Supply	9¼	'90 Jun	102½	8.74		9.25
dm 150	Escom Electr Supply	8	'92 Apr	95½	8.97		8.38
dm 100	Escom Electr Supply	8¼	'92 Sep	98½	8.54		8.38
dm 200	Escom Electr Supply	8¼	'93 Apr	96	8.98		8.59
dm 100	Iscor Iron Steel	7¾	'86 Jun	98¼	10.36	10.00	7.89
dm 100	Iscor Iron Steel	7	'87 Apr	98¼	7.97	8.42	7.11
dm 100	Iscor Iron Steel	7	'88 Mar	97½	8.09	8.75	7.18
dm 100	Iscor Iron Steel	9	'88 Mar	100¼	8.84		8.98
dm 100	Iscor Iron Steel	8½	'88 Nov	99¼	8.76	8.94	8.56
dm 80	Johannesburg City	8	'86 Sep	99½	8.50	8.81	8.04
dm 50	Johannesburg City	10	'86 Oct	101¼	8.74		9.88
dm 100	Johannesburg City	6¼	'87 Sep	96	8.45	10.45	6.51
dm 100	Post Telecom Pretoria	7¾	'90 Jul	96¼	8.71		8.05
dm 100	Post Telecom Pretoria	9	'90 Oct	100	8.97		9.00
dm 150	Post Telecom Pretoria	8⅝	'91 Jun	97½	8.93		8.53
dm 100	Post Telecom Pretoria	8	'93 Jul	95¼	8.86		8.40
dm 100	South Africa Railways	7½	'88 Jan	99¼	7.79	7.92	7.56
dm 100	South Africa Transnet	7¾	'92 Nov	94¼	8.82		8.25
dm 150	South Africa Transnet	8	'93 Jan	95¾	8.88		8.41

SOUTH AMERICA

Amt	Security	%	Mat	Middle Price	Yield Mat	Yield Ave Life	Yield Curr
dm 150	Argentine	7½	'89 May	97½	8.29	8.67	7.69
dm 100	Brazil	8¼	'86 Oct	101	7.38	6.96	8.46
dm 150	Brazil	7¼	'87 Jan	98½	8.31		7.36
dm 150	Brazil	8	'87 Aug	99	8.57		8.08
dm 100	Brazil	6¾	'87 Oct	99½	7.00	7.13	6.78
dm 150	Brazil	9¼	'88 Jan	101½	8.68		9.11
dm 250	Venezuela	6	'88 Mar	96¼	7.65	8.61	6.23
dm 150	Venezuela	6½	'90 Nov	97¾	6.85	8.88	6.72
dm 150	Venezuela	9¾	'90 Nov	103½	8.87	8.55	9.42
dm 100	Bad (argentina)	7¼	'86 Mar	99½	8.39		7.31
dm 200	Bnde (brazil)	6¾	'86 Mar	100	6.65		6.75
dm 100	Bnde (brazil)	8½	'87 Apr	99½	8.79	8.96	8.54
dm 150	Comp Energ Sao Paulo	7	'87 Nov	97½	8.26	8.87	7.18
dm 100	Comp Vale Do Rio Doce	8½	'86 Dec	101	7.65	7.11	8.42
dm 150	Eletrobras	6¾	'86 Apr	99¼	7.92		6.80
dm 100	Eletrobras	7	'87 Feb	99	7.70		7.07
dm 150	Eletrobras	7	'87 Sep	99	7.54	8.02	7.07
dm 150	Light-Servicos Brazil	6¾	'86 May	99¼	7.79		6.80
dm 125	Light-Servicos Brazil	8½	'90 Jan	100	8.46	8.46	8.50
dm 100	Petrobras	7	'88 Oct	97½	7.92	8.46	7.18
dm 125	Petrobras	8	'89 Oct	97½	8.74	9.33	8.21

SPAIN

SUPRANATIONAL

SWEDEN

SWITZERLAND

UNITED KINGDOM

UNITED STATES AMERICA

Mutual Funds

Figures as of close of trading Friday

NEW YORK (AP)— The following quotations, supplied by the National Association of Securities Dealers, Inc., are the prices at which these securities could have been sold (Net Asset Value) or bought (value plus sales charge) Friday.

	Bid	Ask
AARP Invst:		
CapGr	17.77	NL
GinlM	15.34	NL
GenBd	15.26	NL
GthInc	17.14	NL
TxFBd	15.31	NL
TxFSh	15.17	NL
ABT Family:		
Emrg	13.42	14.67
GthInc	14.85	16.23
SecInc	10.93	11.95
UtilInc	17.01	18.59
ADTEK	10.55	NL
Acorn F	34.23	NL
Afuture	12.33	NL
AIM Funds:		
CvYld	11.73	12.55
Grnwy	9.07	9.70
HiYld	9.80	10.48
Sumit	5.83	
AMEV Funds:		
Capitl	10.94	11.96
Grwth	12.49	13.65
Specl	18.64	NL
US Gvt	9.62	10.51
Alliance Cap:		
Chem	9.61	10.50
HiGrd	10.66	11.28
HiYld	9.80	10.37
Intl	13.00	14.21
Mortg	9.77	10.34
Survey	13.67	14.94
Tech	17.28	18.89
Alpha F	18.56	20.28
Amer Capital:		
Corp	7.03	7.68
Cmstk	13.53	14.79
Entrp	12.63	13.80
Exch	47.18	
Fd Am	10.51	11.49
GvSec	11.71	12.56
Grow	25.48	
Harbr	12.88	14.08
Hi Yld	10.08	10.81
Mun B	18.71	19.64
OTC	10.20	11.15
Pace	19.42	21.22
Provid	4.42	4.77
Ventr	14.57	15.92
American Funds:		
A Bal	10.44	11.41
Amcp	8.60	9.40
A Mutl	15.74	17.20
Bond	13.41	14.66
Eupac	15.70	17.16
Fd Inv	12.52	13.68
Grwth	14.31	15.64
Incom	11.72	12.81
ICA	11.91	13.02
NEco	16.98	18.56
N Pers	8.40	9.18
TaxE	9.98	10.48
Wsh Mt	9.66	10.56
A GthFd	8.31	9.08
A Herltg	2.48	NL
A Invest	7.03	NL
A Inv In	9.23	NL
AmMed	35.47	NL
A NtGth	4.00	4.36
A NtInc	18.07	19.75
Amway	6.08	6.50
Analyt	14.82	NL
Amstng	7.54	NL
Axe Houghton:		
Fnd B	10.71	11.64
Incom	4.80	5.22
Stock	7.81	8.54
Babson Group:		
Bond	1.57	NL
Enterp	12.19	NL
Gwth	11.26	NL
UMB St	11.56	NL
UMB B	10.33	NL
BLC Gl unavail		
BLC Inc unavail		
BartBV	11.52	NL
Beac Gth	15.43	NL
Beac Hill	19.95	NL
Benham Capitol:		
CaTFL	10.19	NL
CalTFI	9.86	NL
CapNT	10.44	NL
Berger Group:		
100 Fd	15.61	NL

NL — No load (sales charge). r — Previous day's quote. r- Redemption charge may apply. x—Ex dividend.

CONVERTIBLE BONDS

Amt	Security	%	Mat.	Mid. Price	—Conv. Period—		—Conv. Price/sh—	Conv. Prm.	Curr. Yld. Sat%
EUROPE									
$ 30	Aga Ab	9½	'96 Sep	122¾	7 Feb 82	15 Jun 96	skr 178 – skr 263.979	5.35-	1.97
$ 70	Akzo 29.40	4¾	'89 Jan	109	1 Sep 69	maturity	hfl 127.60 – hfl 185.560	5.42-	4.92
$ 80	Alusuisse Capit 17.08	6½	'93 Jan	80	14 Jan 81	maturity	$ 58.579	48.71	9.52
$ 60	Alusuisse Intl	4¾	'87 Mar	91	1 Sep 69	maturity	$ 1265.440	92.08	9.32

JAPAN

MISCELLANEOUS

UNITED STATES AMERICA

HIGHEST CURRENT YIELDS

On convertibles having a conversion premium of less than 10%.

Explanation of Symbols

C$	Canadian Dollar	SDR	Special Drawing Rights
ECU	European Currency Unit	Y	Yen
EUA	European Unit of Account	LFR	Luxembourg Franc
£	Pound Sterling	SFR	Swiss Franc
DM	Deutsche Mark	FF	French Franc
NKD	Norwegian Kroner - DM		

New Eurobond Issues

Compiled by Laurence Desvilettes from information supplied by European bond traders.

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
FLOATING RATE NOTES						
Bank of Boston	$200	2000	⅛	100	99.71	Over 6-month Libor, set monthly, unless 1-month Libor is higher, in which case coupon will be pegged to flat Libor for the rest of the interest period. Maximum coupon 19⅞%. Callable at par in 1988. Fees 0.75%. Denominations $50,000.
Chrysler Financial	$125	1992	¾	100	98.75	Over 6-month Libor. Noncallable. $75 million issued now and $50 million reserved for tap. Fees 1.40%. Denominations $10,000.
Midland Bank	$500	perpt	¼	100	99.56	Over 6-month Libor. Callable at par in 1990. Fees 0.65%. Denominations $10,000.
Standard Chartered PLC	$300	perpt	¼	100	—	Over 6-month Libor. Callable at par in 1990. Ranks as primary capital. Bank is exchanging $10,000 principal plus $70 credit for each $10,000 note of Standard Chartered Finance BV's $300 million perpetual junior debt issued in Nov. 1984.
FIXED-COUPON						
Campbell Soup	$100	1995	10½	100	99.75	Callable at 101 in 1992.
Chubu Electric Power	$100	1995	10½	100	98.63	Noncallable.
Chujitsuya	$ 45	1992	10¼	100¼	98.25	Noncallable.
Oesterreichische Kontrollbank	DM 150	1997	6¾	100¼	100.13	Callable at 102½ in 1990.
BFG Finance	Aus$ 45	1990	13	100¼	98.63	Noncallable.
Creditanstalt Bankverein	Aus$ 50	1990	12⅞	100¼	98.50	Noncallable.
DG Bank	Aus$ 60	1990	12⅝	100⅝	99.13	Noncallable.
De Nationale Investeringsbank	NZ$ 40	1990	16	100	—	Noncallable.
BP Overzee	Y 25,000	1995	8	101¼	99.25	Noncallable. Redeemable in U.S. dollars at 208 yen per dollar for a total of $120.2 million.
Elsportfinans	Y 20,000	1995	zero	54.573	53.073	Yield 6.244%. Proceeds 10.7 billion yen. Noncallable.
Elsportfinans	Y 20,000	1995	8	101⅜	99.38	Noncallable. Redeemable in U.S. dollars at 208 yen per dollar for a total of $96.16 million.
Federal National Mortgage Association	Y 50,000	1995	8	101⅜	99.38	Noncallable. Redeemable in U.S. dollars at 208 yen per dollar for a total of $240.4 million.
Honeywell	Y 25,000	1995	8	101	98.38	Noncallable. Redeemable in U.S. dollars at 208 yen per dollar for a total of $120.2 million.
Hydro-Quebec	Y 25,000	1995	8	101½	99.50	Noncallable. Redeemable in U.S. dollars at 208 yen per dollar for a total of $120.2 million.
Phibro-Salomon	Y 20,000	1995	8	100.69	99.69	Noncallable. Redeemable in U.S. dollars at 208 yen per dollar for a total of $96.16 million.
EQUITY-LINKED						
Nippon Suisan Kaisha	$ 30	1995	3¼	100	96.50	Semiannually. Callable at 104 in 1988. Convertible at 408 yen per share and at 238.75 yen per dollar.

Eurobond Market Targets Japanese

(Continued from Page 7)

rush into U.S. Treasury paper, will grow is a matter of debate. Japanese insurance companies already are near the government-imposed ceiling on the portion of foreign-currency securities they can hold.

Arnold Simkin, a London-based economist, says he believes that to blunt mounting protectionist pressures coming from Washington, the Japanese will move to assuage complaints about their huge trade surpluses by managing the yen exchange rate up against the dollar.

This could be done by traditional *"guidance" by the Ministry of Finance* to the Japanese financial community to steer less cash into dollar securities. Such a move would have an impact on U.S. interest rates, tending to drive them higher. But Mr. Simkin expects the exchange-rate move would help reduce the trade pressures. The cash directed away from the dollar could move into sterling, where the yield gain for the Japanese is about equal to dollar securities, and to a lesser degree into the Deutsche mark or perhaps gold, he said.

Despite last week's jitters about the direction of U.S. interest rates, sparked by an unexpected large increase in the basic M-1 measure of money supply, and renewed weakness of the dollar following the Bundesbank's long expected half-point cut in its key lending rates, demand for Eurodollar bonds held better than bankers said they had expected.

Campbell Soup, for example, offered $100 million of 10-year bonds bearing a coupon of 10½ percent. Including fees, the triple-A rated company paid 20 basis points over the comparable yield on Treasury securities in New York. Lead manager Credit Suisse First Boston estimated that Campbell saved 15 basis points over what it would have paid to sell the paper in New York. But by week's end, despite a deterioration in the Treasury market, Campbell's bonds were trading at 10 basis points below yields on comparably dated Treasury paper.

In the same vein, managers reported good demand for United Technologies and Connecticut Mutual issues offered a week earlier. Also showing strong demand were the convertible bonds issued by Rockefeller Center Properties.

Bankers also reported strong demand for floating-rate paper. Bank of Boston increased its 15-year offering by $50 million to $200 million. The interest is based on the mis-match formula, with the coupon fixed at ⅛-point over the six-month London interbank offered rate but reset monthly. If one-month Libor is higher than the six-month figure, interest will be set at the one-month rate. A maximum ceiling of 19⅞ percent was set on the coupon to conform with the usury laws in the state of Massachusetts.

Chrysler Finance tapped the market for an initial $75 million of seven-year notes saying that an additional $50 million will be held on tap to be sold as conditions warrant. Interest is set at ¾-point over Libor — a reflection of the credit standing of the issuer and the fact that these are junior subordinated notes.

In the perpetual market, Midland Bank issued $500 million of bonds bearing a coupon of ¼-point over Libor. This second perpetual for Midland, the weakest of the British clearing banks, brings its free capital ratio to more than 6 percent from below 5 percent prevailing nine months ago.

Meanwhile, Standard Chartered Bank, which last November used a formula that the Bank of England did not accept for inclusion as primary capital, is seeking to exchange that issue for a near identical new one. The difference is that the new issue offers holders less *protection — ranking just ahead of* equity — in the event of liquidation of the bank.

This is now standard for perpetuals and only Barclays and National Westminster still have perpetuals outstanding that have debt features rendering the proceeds uncountable as capital as far as the Bank of England is concerned. Standard Chartered is offering holders a 0.7-percent cash bonus for making the exchange.

The DM market was buoyed by the long-awaited rate cuts. Bankers say that 500 million DM from the August calendar remains to be marketed. Finland is slated to tap the market this week for 150 million DM for 10 years.

German investors were reported to be big buyers of the Australian dollar issues launched last week for West German Banks. DG Bank's 60-million-dollar offering was priced at 100⅝ with a coupon of 12⅞ percent and BfG's 45 million dollars was priced at 100¾ with a coupon of 13 percent.

Spain Taps Market to Trim Loan Costs

By Carl Gewirtz
International Herald Tribune

PARIS — The rapid development of the international commercial paper market — a reflection of the high cash balances at financial institutions and corporations — was exploited by Spain last week to reduce its borrowing costs again.

Just over a year ago, Spain negotiated its first revolving underwriting facility. At that time, it obtained the commitment of banks to issue short-term paper at a maximum cost of 13 basis points, or .13 percent, over the London interbank offered rate, considered at the time as very low for Spain.

SYNDICATED LOANS

That agreement has now been amended to permit Spain to issue commercial paper on a "tap" basis; that is, depending on the market's appetite for such paper without any commitment by the underwriters of the facility to purchase it. Potential investors are asked to bid for the paper and if the terms are deemed acceptable the paper is sold.

The first placement was made last week with $125 million of three-month paper sold at a cost of 4 basis points over Libor. By this procedure, the saving of 9 basis points goes directly to Spain; under the original agreement banks that took the paper from Spain at 13 points over Libor would have pocketed 9 basis points as profit.

This is considered extremely cheap funding for Spain and reflects, bankers say, the very high demand for short-term assets.

Normally, institutional investors' surplus cash would go into the interbank market where a deposit would earn the bid rate, or ⅛-point below Libor, the offered rate. Thus, short-term paper priced over Libor is very attractive.

In the syndicated credit market, also starved of assets considered acceptable, Export-Import Bank of Korea has appointed 10 banks to raise $300 million for eight years. For the first six years, interest will be set at ⅝-point over Libor. This is two years longer at the ⅝-point level than on previous loans. For the final two years, interest is set at ¾-point over Libor.

The South Korean bank will pay a commitment fee of ⅜-percent and will have an option allowing it to draw in a variety of other currencies. Lenders have the option of selling off their commitments, as the loan will be made up of transferable certificates.

Bankers also report satisfactory progress in syndicating a renegotiated loan for France. It originally borrowed $4 billion in 1982. The amount being resyndicated is for $3.6 billion but the 1992 maturity remains unchanged.

A 35-percent portion of the total amount is designed as a term loan with interest set at ¼-point over three- or six-month Libor for the first four years and 3/16-point over Libor thereafter. The amount available under this portion of the loan diminishes as drawings are repaid.

The remainder, 65 percent of the total, is a revolving credit under which France can draw, repay and draw again. The interest charge is a steady ¼-point over Libor.

The interest charges are down from the ⅜-½-point margin set in 1982 and the commitment fee has been cut from ¼ to 1/16 percent. After 1989, the commitment fee on the revolving credit increases to 1/10 percent.

Bankers say that while France has not squeezed the market to the maximum for the lowest possible terms, the charges nevertheless are not up to what many of the major banks consider profitable. As a result, they say they are selling subparticipations to smaller institutions that are hungry for even low-cost assets.

The Turkish-Iraqi pipeline is to tap the market this week for $400 million. The loan, which will run to seven or eight years, will be guaranteed in part by Turkey's central bank and in part by the Italian export credit agency (Italy's Sapiem is building the pipeline). The final terms on the loan will represent a blending of the 1 percent over Libor that Turkey would command and the ⅜-½-point margin of the Italian state guaranteed risk.

2d Taiwan Official Offers Resignation

Reuters

TAIPEI — Taiwan's deputy finance minister, Li Hung-au, who on Thursday replaced his superior as acting minister after a bank scandal, has offered his own resignation.

Mr. Li said Friday that he had tendered his resignation to Prime Minister Yu Kuo-hwa because he was obliged to follow Loh Jen-kong, who resigned, saying he had been unable to stop the scandal.

Mr. Loh and his predecessor, Hsu Li-teh, were blamed by a parliamentary commission for allowing Tenth Credit Cooperative, a bank owned by Cathay Industrial Group, to make large loans to its subsidiaries. Mr. Hsu resigned in March.

A cabinet official said Mr. Yu would probably leave Mr. Li's resignation for a new finance minister to determine. A new minister will probably be named this week, he added.

Weakness In Economy Pushes Up Bond Prices

By Gary Klott
New York Times Service

NEW YORK — Bond prices rebounded Friday on fresh evidence of weakness in the U.S. economy.

The credit markets, which were depressed Thursday by a surge in the money supply, were bolstered Friday by the government report that housing construction fell 2.4 percent in July.

U.S. CREDIT MARKETS

Prices on long-term government bonds gained *1¼ points, more than* making up for Thursday's losses. Short-term interest rates drifted moderately lower.

The Commerce Department's report on July housing starts provided yet another sign that the economy was sluggish, particularly because the drop came in the face of recent declines in mortgage rates. That reinforced the view that the Federal Reserve would find it difficult to tighten credit conditions.

There was concern on Thursday, after the Fed reported a $5.3-billion rise in M-1, the basic measure of the U.S. money supply, that the Fed would be forced to tighten credit because of the increase.

"The money-supply number was *a major reason for the Fed to firm,* but the housing starts were an offsetting reason for the Fed to ease," said Philip Braverman, chief economist at Briggs, Schaedle & Co. "So these two elements produced a standoff."

*Also bolstering prices was a re*port further detailing problems at a Maryland thrift institution. Community Savings & Loan Association, a privately insured thrift unit, said that its mortgage subsidiary may default on mortgage payments *by the end of August if plans to sell* the subsidiary are not completed by then.

In the secondary market Friday, the new 10⅞-percent Treasury bonds due in 2015 were offered late in the day at 100 26/32 to yield *10.54* percent. That was up from Thursday's price of 99 18/32, yielding 10.67 percent.

Maria F. Ramirez, first vice president and money market economist at Drexel Burnham Lambert Inc., said prices were supported by continuing strong demand for bonds. "The underlying fundamentals are still bullish for the market," she said.

A number of economic reports due out this week, including revised figures for second-quarter economic growth, she said, should provide further confirmation of weakness in the economy.

U.S. Consumer Rates
For Week Ended Aug. 16

Passbook Savings	5.50 %
Tax Exempt Bonds Bond Buyer 20-Bond Index	9.12 %
Money Market Funds Donoghue's 7-Day Average	7.30 %
Bank Money Market Accounts Bank Rate Monitor Index	6.90 %
Home Mortgage FHLB average	12.58 %

World Bank To Increase Aid to India

Reuters

NEW DELHI — Long-term, low-interest loans to India from the World Bank and the International Development Association will rise in volume over the next five years, the president of the bank, A.W. Clausen, has said.

"The case for India to continue to receive concessional flows is a strong one. India should not be penalized for its development success," Mr. Clausen said Friday at the end of a five-day visit to the country.

Mr. Clausen said the flow of concessional credit from the bank and the International Development Association, its soft-loan arm, would be much higher for India's seventh development plan, covering the period 1985-1990, than for the previous plan covering 1980-1985. He gave no figures.

A World Bank official has said aid to India from the bank fell to around $2.5 billion for the fiscal year ended in June from $2.7 billion the previous year.

Mr. Clausen said the Indian government must increase its commercial borrowing to supplement the bank's concessional aid. India's commercial borrowing has risen to $1.2 billion in the past three years.

Indian leaders who met Mr. Clausen said cuts in concessional aid seriously threatened the country's development efforts.

Interest-free loans from the International Development Association were expected to fall to $650 million in the year ending June 1986 from more than $1.5 billion five years earlier, officials of the Indian Finance Ministry said.

Mr. Clausen said that the bank *was trying to secure more funds for* IDA and that a meeting of donor countries had been called for Seoul in early October.

Austria to Cut Discount Rate

Reuters

VIENNA — Austria's national bank will cut its discount rate to 4 percent from 4.5 percent, effective Monday, a bank spokesman said Friday.

Sanko Ship Detained in U.S. Port

Reuters

TOKYO — One of the fleet of ships operated by Sanko Steamship Co. of Japan has been detained in a U.S. port because of fears its debts would not be paid, a company official said.

A Japanese television report said nine Sanko vessels were being held in the United States, Canada and South Africa.

The Sanko official said Saturday that the Sanko Diligence, a 26,500-deadweight-ton bulk carrier, was detained in Portland, Oregon, last Thursday. But Sanko had remitted the necessary funds and the ship should be released soon, he said.

Sanko Steamship, which owns 27 ships and charters 217, accounting for about 4 percent of world tonnage, sought court protection from its creditors last Tuesday with group debts of 520 billion yen ($2.2 billion). The filing came after major creditor banks decided they could not provide further financing.

The size of Sanko Steamship's debts made it the largest such filing in post-war Japan.

A filing for protection is usually followed by the appointment of a receiver to steer the company to recovery, or determine whether it should be liquidated.

On Friday, an official at Marubeni Corp. said the Sanko Crystal, a 39,000-deadweight-ton bulk carrier owned by Marubeni and on charter to Sanko Steamship, was being held at Camden, New Jersey, by stevedoring companies demanding payment in cash for their work.

But the Sanko Steamship official said Saturday that the last confirmed position of the Sanko Crystal was in Charleston, South Carolina, last Monday.

Japan's publicly owned NHK television reported later that nine Sanko Steamship vessels had been detained in foreign ports until they paid their debts to local cargo loaders and suppliers. These included six in the United States, two in South Africa and one in Canada.

Sanko Steamship officials were not available for comment on the report.

Shipping industry sources in Tokyo *said foreign ports,* longshoremen and suppliers were worried about getting payment for their goods and services.

"These payments used to be made on a credit basis, but Sanko's application for court protection raised concern among local firms in some ports as to whether they will get their money from Sanko," a spokesman for Marubeni said.

Shipping experts in Tokyo said Sanko Steamship's failure underlined the serious problems facing the shipping market, with far too many ships chasing too few orders.

Caracus Reviews BTV Debt Pact

Reuters

CARACAS — Finance Minister Manuel Azpurua has announced that the government is reviewing a foreign-debt refinancing accord for Banco de los Trabajadores de Venezuela.

BTV, placed under control of a government-appointed trustee in November 1982 because of severe liquidity problems, owes approximately $300 million to foreign banks. The trustee recently reached a refinancing accord with BTV's creditor banks, but the government has objected to some elements related to its mixed capital status, banking sources said.

Mr. Azpurua said Thursday that BTV was being treated as a special case because the government holds a substantial share.

More Investors Put Money Where Their Morals Are

By Nicholas D. Kristof
New York Times Service

NEW YORK — When the Working Assets Money Fund set up shop in San Francisco two years ago, it had accounts totaling *$100,000* and a determination to "do good."

Today, the fund, which shuns the debt securities of companies that are involved in South Africa, pollute the environment, resist unions, produce weapons or generate nuclear power, manages a $63-million portfolio. With a yield of 8.76 percent in the 12 months ended July 31, it ranks a bit below average in its category of money-market funds, but is well above bottom.

"This is a growth sector," said Julia Parzen, chief executive and portfolio manager of Working Assets. Specialty funds such as hers have grown dramatically, she noted, "and what I've seen over the last six months is a number of traditional brokerage houses bringing on staff people to do social research."

Most financial experts still question the wisdom or usefulness of factoring moral beliefs into investment decisions. Nevertheless, a growing number of money managers are making a good dollar by managing portfolios for investors — individuals, pension funds, university endowments and the like — who choose to avoid certain companies for moral reasons.

By far the most common issue has been South Africa, and the trend has caught fire with the growing unrest there.

"There's been phenomenal growth" in social-issue investing, said Donald W. Mitchell, president of Mitchell Investment Management Co. in Cambridge, Massachusetts, which advises universities, cities and states on how to invest.

The biggest beneficiaries of this heightened concern with ethics and investment — most notably the di*vestment of South Africa-related* stocks by vast pension funds — tend to be the huge, mainstream money-management companies. Without espousing a cause, they will nevertheless tailor a portfolio to whatever a client wants.

'Maybe it's yuppie,' said one investment manager, 'but people are talking about the social implications of investments'.

For instance, Martin D. Sass, president of M.D. Sass Investors Services in New York, manages more than $1.7 billion, including $400 million in public money, such as municipal pension funds. "If you want to service the funds, you have to be sensitive to the issue," Mr. Sass said.

"I'd say that 90 percent of that $400 million has some type of re*striction with regard to South Afri*ca. Three or four years ago, maybe it would have been 25 percent," he said.

"If you went back 10 years ago," said Mr. Mitchell, "the amount of money in social investments was *extremely small, probably no more* than $100 million. Beginning about two years ago it began to take off. Now the market is in the tens of millions of dollars, and probably will be in the hundreds of millions soon."

All or nearly all of the social investment funds reflect concerns such as South African divestment, limiting nuclear power, slowing military spending and bolstering unions. None are known, for example, to shun companies doing busi*ness with the Soviet Union,* although the mainstream money managers probably would accept such a condition.

The amounts of "social money" still are tiny compared with the trillions of dollars that slosh about the financial landscape without explicit regard to ethical questions. But $100 million here and $1 billion there add up, and have *spawned a small industry.*

Three newsletters report on stocks that are involved in racially segregated South Africa or are otherwise frowned upon. A book, "Ethical Investing," has sold 8,000 copies since its publication last year. And a group of stockbrokers and others this year formed a trade association, the Social Investment Forum, with 125 members.

"Maybe it's yuppie, but people are talking about the social implications of investments," said Marcy M. Murningham, president of the social investment division of Mitchell Investment.

On the other hand, skeptics point out the difficulties of judging the moral merits of companies. In addition, they say, even *if social-*issue investors succeeded in driving down the price of an offensive stock, they would only create bargains for investors with fewer scruples. Finally, they contend, imposing ethical constraints on *investment decisions could ulti*mately hurt the economy by warping the flow of capital away from its most productive uses.

Two types of investors are most interested in social investments. The first group consists of middle- and upper-income people who have strong views about political or environmental issues and want their investments to reflect those views. Their money typically flows into the funds that specialize in social issues.

The second and much larger source of investment money is city and state pension funds excluded by law from investing in companies involved in South Africa, at least unless they treat black and white employees there equally. Ten states and at least 30 cities have approved some kind of divestment policy, and similar legislation is pending in many other states and cities.

Restricting the universe of possible investments generally is thought in investment theory to lead to lower returns, because it limits choices without adding anything but volatility.

In rebuttal, social investment groups point out that in recent years South Africa-free portfolios have frequently done better than those that invested without that constraint. Analysts say that this was largely because they were able to invest that money in smaller companies, which recently have *done better than blue-chip issues.*

NASDAQ National Market

Consolidated trading for week ended Friday.

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			Sales in 100s	High	Low	Close	Net Ch'ge
A&M Fd			151	7	6⅞	6¾	— ¼
ABS	.40	3.1	190	13½	12¼	12¾	+1¼
ACA Joe			2063	7⅛	6⅝	6⅞	— ¼
ADC TI			1166	18	17	17½	
AEC	.32	3.4	6	9½	9	9½	
AEL s			104	16½	15½	15½	
AFG			755	20	19	19½	
ASK			5056	13¾	13	13¼	— ½
AST			3249	17¼	14⅞	15⅛	—2⅜
AT&E			968	8½	8	8	— ⅛
ATE			410	4⅞	4	4	
AarnRt			611	21¾	21	21¼	
Abrams	.24	3.8	145	6⅞	6⅛	6¼	
Acadin	.20	4.8	8180	6	4	4⅛	—2
AcapRs			66	5	4¾	4⅞	— ⅛
Acelrtn			207	9	8¾	8⅞	— ⅛
AcuRay	.24	1.0	2023	26¼	23⅝	24⅝	—1½
Aceto s			24	16¼	16	16	— ¼
ACMAT			48	10	9¾	9¾	— ½
Actvsn			974	⅝	⅜	⅜	— ⅛
Actmd s			1505	20	18¼	20	+ ½
AdocLb			957	2¾	2⅜	2½	— ⅛
Adage			341	7⅛	6⅞	6⅞	— ⅛
AdsnW	.80	2.4	95	33¼	32¾	32⅞	+ ⅛
Adia	.09e	.4	264	24⅞	22¼	22⅜	—1⅜
AdvCir			1954	11¼	10⅝	10⅞	— ⅛
AdCpt			43	3½	3	3½	
AdvEn s			1833		⅞		+
AdvGen			570	3⅞	3⅜	3⅝	— ⅛
AdvSem			192	10⅝	9½	9½	—1⅛
AdvTel			377	5⅝	5⅜	5⅝	
Aequitrn			460	4⅞	4⅛	4⅛	— ⅜
AerSysl			647	2½	2¼	2⅜	
AffBcp	1.00	5.8	13	18¼	17¾	17¼	+ ¼
AffBsh	.80	4.9	432	16⅞	16	16⅝	+ ⅜
AgcyR s	†		2948	22¼	21	21⅜	
AirCarg			512	6⅝	5¼	5¼	—1
AirMd	.10e	.7	1270	14½	13⅞	14	
AirWisc			4822	18¼	17½	17⅝	— ⅝
AlskBc			173x	5½	4⅜	5½	+ ¼
AlskMt	.25a	1.7	745	15	14⅞	14⅞	— ⅛
AlskNt	†		34	15	14⅞	14⅞	+ ⅛
AlexB	1.40	3.9	824	36¼	35⅛	35⅞	+ ¼
Alfin			697	20⅝	20¼	20½	— ½
Algorex			334	5⅝	4⅞	5⅛	— ¼
Allcoln	.30a	.5	2	60	60	60	+1
AlegWt	.10a	.5	2718	20¼	18¼	18¼	—1⅞
AllegBv	.40	2.1	950	19	17⅞	18⅞	+ ⅛
AlenOr s	.24	.7	81	35½	34	35	+ ¼
AlldBn	.84	3.9	3724	22⅛	21⅝	21¾	+ ⅛
AlldCap	1.00a	4.6	39	21¾	21½	21¾	+ ¼
AlldRsh			1284	7⅝	6⅝	6⅞	— ½
Allnet			1171	4⅞	4¼	4¼	
AllyGar			54	11¼	10⅝	10⅝	— ⅜
AlpMic			278	6¼	5¾	5¾	— ¼
AlpnGe			258	3¾	3⅜	3⅜	— ⅜
Altmcr			1521	6⅞	5⅞	6⅝	
Altos			3215	11⅞	10¼	10½	—1⅜
Altron			930	11¼	10⅝	11¼	
Amcast	.40	2.7	837	16½	15	15	—1
Amcole			296	6	5⅝	6	— ⅛
Amfrd	.07e	1.8	8	4	4	4	
AWAirl			4034	11⅛	10⅝	10⅝	— ⅜
AmAdv	†		865	10⅝	9¾	9⅞	—1
ABusp			92	8	7⅞	8	+ ½
ABnkr	.50	3.8	396	13¼	12⅞	13	+ ¼
AmCarr			959	12¼	11⅞	12	
AContl			117	8½	8¼	8¼	— ⅛
AmEcol			454	25½	24	24	—1¾
AExpl			86	4⅞	4⅜	4⅝	— ¼
AFdSL	.60	3.8	150	16¼	15¾	15¾	
AFlltrn	1.40	4.1	25	34	33½	34	— ⅜
AmFrst	†		145	8½	8	8¼	+ ¼
AFletc s	.80	2.8	1454	28⅝	26¼	28½	+1⅞
AFurn	.28	2.7	229	10⅝	10⅛	10½	— ⅜
AGreet	.58	1.8	11495	32½	31⅞	32	— ¼
AmInLf	.40	3.1	1579	13⅛	12¾	12⅞	
AIndF	1.12	5.6	40	20⅜	20⅛	20⅛	— ⅝
AIntgp s			718	18¼	16½	17	— ⅞

			Sales in 100s	High	Low	Close	Net Ch'ge
Blasius			75	4⅝	4¼	4⅜	— ⅛
BlissAT	†		395	¼	⅛	⅛	
BRdg un			6	14¼	14	14	—1
BoatBn	1.50	4.5	336	33¼	32⅝	33	
BobEvn	.30b	1.5	1753	22	19¾	20½	
BoltTc	.16	2.3	364	7	6¾	7	+ ⅛
BooleB			154	6	5⅝	5⅝	— ⅜
BoonEl	.65t	11.6	57	6	5⅝	5⅝	— ¼
Boothln			89	4¼	3⅞	4	
BoothFn	.30	1.5	180	19⅝	18½	19½	+1⅜
BostBc	.72	2.7	1292	27	25	26⅞	+1⅞
BstnDig			129	5¼	4½	4⅞	— ⅛
BsinFC	.30e	1.3	1897	23¼	20¾	22¼	+1⅜
BradRE	.60a	4.4	168	13⅝	13	13⅝	+ ⅜
BradyW	.20	.6	69	34¼	33¾	34¼	+ ⅜
BraeCp			110	12¼	11½	11½	— ¾
BrnchC	1.20	3.4	321	35¾	34¾	35⅛	— ¼
Brenco	.12	3.1	259	4⅛	3⅞	3⅞	— ⅜
BdgCm			688	15	13⅞	13⅞	—1⅛
BrdgFd	.12e	3.0	2	4	4	4	
BritLee			922	11⅝	11¼	11⅜	+ ⅛
BrwnRb			98	14⅜	14½	14⅜	+ ¼
BrwTom	†		3281	1⅞	1⅝	1⅝	— ⅜
Bruno s	.16	1.1	2868	14⅞	14¼	14⅝	— ⅛
Buffton			1234	1⅝	⅞	1⅛	
BuildTr			665	31	30¼	30¼	
Brnhm	.20	1.1	2319	20¼	17	17¾	—2¼
BurnpS			526	8¼	7⅞	8	— ⅛
BurrBr			202	17¾	17¼	17½	— ¼
Burrit	†		133	19½	18	18¾	+1
BMA s	1.04	4.0	698	26	25⅝	26	+ ⅛
Businld			2416	8	7¾	7¾	— ⅛
ButlrJ	.12e	.6	865	19⅛	18¾	19	+ ¼
ButlrMf	1.32	4.9	64	27	26½	26¾	— ¼
ButlrNt			361	2½	2⅛	2⅜	+ ⅛

C

			Sales in 100s	High	Low	Close	Net Ch'ge
CCB s	1.00	3.1	64	32¾	32	32	—1⅛
C COR			219	7⅞	7¼	7¼	— ½
CP Rhb			2011	5⅝	4⅞	5⅛	+ ⅜
CBT B s	.44	1.6	148	30½	27½	28	—2½
CCNB	1.00	3.2	1	31	31	31	—2
CCX Nt			42	18⅛	18	18	— ½
CML			795	10⅝	10⅛	10⅜	— ⅜
CPI			267	20⅝	19⅞	19⅞	—1
CPT			2560	6⅛	5⅝	5⅞	— ⅛
CSP			1762	11⅞	11	11¾	+ ⅜
CVBFn	†		26	13	12⅝	12⅝	— ¾
CablTV			51	3	2⅞	3	
Cache			1534	1⅞	1⅜	1⅜	— ⅛
CACI			495	4¼	3⅞	4⅛	
CbrySc	.65t	3.2	1263	20⅝	19¾	20⅛	+ ⅜
Cadms s	.36b	1.8	294	20¼	19	20	
Calibre			85	2⅛	1⅞	1⅞	— ⅛
CalAmp			338	2⅞	2⅝	2¾	
CalFBk	1.08	5.5	8	19½	19¼	19½	+ ¼
CaLJky	.95a	2.7	4	35¼	35	35	— ½
CalMic			4655	9⅝	9¼	9⅝	— ⅛
CalSlv g			5032	5⅝	5	5⅝	+ ⅜
CalWtr s	2.60	5.5	62	47½	46	47	+1
CallonP			957	2⅞	2⅝	2¾	— ¼
Calny	.16	1.1	728	14¼	14	14	— ¼
Calumt	.28e	2.9	832	10	9	9⅝	
CanonG			1605	20⅜	19⅝	19⅞	—1
Canonl	.10r	.5	78	20½	20	20¼	— ¼
Canrad			22	8¼	7½	7⅞	
CapSwl	.16e	.9	13	18¼	18¼	18¼	
CapBc s	.96	3.9	96	24½	23½	24½	+1
CapFSL	.20	1.7	904	11½	10⅞	11½	+ ½
CapTrn	.25e	4.2	15	6	6	6	+ ⅜
CapCrb			1263	1⅞	1⅜	1½	
CardDis	.08r	.5	61	17¼	17¼	17¼	— ½
Cardis			141	7½	7⅛	7⅛	— ⅛
CareerC	.08t	2.1	744	4⅛	3¾	3¾	— ⅜
Caremk			1600	11½	11	11⅛	
Carlsbg			22	10	9¾	9¾	— ⅛
Carolin			2025	3⅜	2⅞	3¼	+ ⅛
Cartert	†		1398	13⅛	12⅜	13	
Cascade	1.40a	2.9	5	49	48½	49	— ½
Caseys s			924	18½	17½	18⅛	— ¼

SELECTED U.S.A./O.T.C. QUOTATIONS

	BID	ASK
Apollo Comp.	17½	17¾
Mr Gasket	9¾	9⅞
Bitter Corp.	3½	3¾
Modulaire	9¾	10⅛
Rodime	9¼	9½

WITH COMPLIMENTS OF CONTINENTAL AMERICAN

Last Week's AMEX

AMEX Most Actives

Vol.		High	Low	Last	Chng.
Wickes	47400	4⅝	4⅛	4⅝	+ ¼
BAT In	26876	4¼	4⅛	4⅛	— ⅛
EchoB s	20782	14⅞	13⅞	14¾	+1⅜
GlfCd g	15377	14⅝	14½	14½	— ⅛
DomeP	11657	2¼	2⅛	2⅛	— ⅛
WangB	11496	18	16⅞	16⅞	—1⅛
Wickes pf	8075	30⅝	28⅞	30	+1
TexAir	7861	19⅝	17⅞	19	+ ⅞
UnvPat	4798	14⅛	13¾	13¾	+ ½
TotlPt g	4040	14¼	13⅝	14	— ⅛
Astrotc	3960	1½	1¼	1¼	— ¼
Asmr g	3886	9¼	8⅝	9¼	+ ½
InstSy	3816	1¾	1½	1⅝	— ⅛
TIE	3799	5⅞	5½	5⅝	
Dynict	3436	13½	12⅞	13⅛	+ ¼
Fotomt	3407	1⅞	1⅝	1¾	
AMBld	3332	3⅞	3⅛	3⅞	+ ¼
BergBr	3195	29⅝	28¾	29⅛	— ½
HouOT	3164	5¼	4⅞	4⅞	— ¼
AHlthM	3121	7⅛	6⅝	6⅝	— ¾
WDigit	3019	13⅝	12½	13⅛	+ ⅛
Compo	2996	11	9½	10¾	+1¼
HmIns pf	2811	20¾	20⅜	20½	
DataPd	2660	13	12⅜	12⅝	— ⅜
AM Intl	2649	3⅞	3⅝	3¾	— ⅛

AMEX Diaries

	This Wk	Last Wk
Advanced	315	254
Declined	403	504
Unchanged	191	147
Total Issues	909	905
New Highs	32	27
New Lows	40	37

AMEX Sales

	Sales Vol.
Total for week	37,410,000
Week ago	36,300,000
Year ago	31,810,000
Jan 1 to date	1,294,040,000
1984 to date	974,980,000
AMERICAN BONDS	
Total for week	$10,532,000
Year ago	$6,630,000

Last Week's NYSE

NYSE Most Actives

Vol.		High	Low	Last	Chng.
MidSUt	141281	12½	8⅝	9¼	—3⅛
PanAm	105951	8⅝	7⅝	8	— ⅛
UnEnrg	93173	40¼	37¼	40	+4
Revlon	62265	46⅝	41¾	44¼	+2⅞
AT&T	56844	21⅛	20¾	20⅞	— ⅜
UnCarb	46986	52¾	48⅝	52¼	+1½
PhilPt s	43637	12⅝	11⅝	11⅞	— ¼
BeatCo	41739	34½	32⅝	34⅛	+ ⅜
MGMUa	39451	26¼	23⅝	25⅛	+ ⅜
ColgPal	35118	27½	26⅝	26⅝	— ⅝
IBM	35067	129⅝	125¾	125⅞	—1½
PhilaEl	34568	16⅝	15¼	15¼	— ½
CtData	27950	26	21	21⅞	—4⅛
NMedE	27884	27¼	25	25⅜	— ⅜
EastAir	27500	12	10⅜	10½	—1⅜
GMot	27328	69½	65¾	65⅞	—3⅛
Exxon	24358	52¼	50⅞	50⅞	— ⅜
OcciPet	23150	33⅝	31⅛	32¼	—1⅛
Sperry	23120	49½	47	48⅞	—1¼
AHosp	22965	45½	45	45¼	+ ¼
TWA	22397	23	22	22⅞	— ⅛
CSX	21918	27⅛	26¼	26⅝	— ⅜
HewlPk	21865	37	35½	35¾	— ¾
AmExp	21851	44	42⅛	42⅛	—1⅛
CmwE	21510	30⅛	29⅝	30	+ ⅜

NYSE Diaries

	This Wk	Last Wk
Advanced	895	616
Declined	1044	1372
Unchanged	297	240
Total Issues	2236	2228
New Highs	88	84
New Lows	35	34

NYSE Sales

	Sales Vol.
Total for week	417,430,000
Week ago	468,740,000
Year ago	416,420,000
Two years ago	384,010,000
Jan 1 to date	17,031,487,331
1984 to date	14,931,650,000
1983 to date	13,849,700,000

Z

			Sales in 100s	High	Low	Close	Net Ch'ge
Zentel			198	3⅝	3¼	3½	— ⅜
ZenLb s			14443	25⅝	21⅝	22½	—3½
ZonNtl	.68	3.7	700	18¼	17⅞	18⅜	+ ⅜
Zentec			353	2¼	2	2⅛	— ⅛
Ziegler	.48e	4.0	49	12¼	12	12	
ZionUt	1.36	3.6	60	38⅜	37⅞	37⅞	— ¼
Zitel			109	2⅞	2⅝	2⅝	
Zivad			1161	6¼	6	6⅛	+ ⅛
Zondvn	.08t	.7	997	12	11¼	11⅞	+ ⅜
Zycad			663	12⅞	11⅜	11¾	— ½
Zygo			21	8⅛	7¾	7¾	
Zymos			817	3⅛	2⅝	3	— ⅛

Sykes Datatronics Files for Protection

United Press International

ROCHESTER, New York — Sykes Datatronics Inc. has sought protection from creditors under Chapter 11 of the U.S. Bankruptcy Code after defaulting on part of a $7.7-million loan with two banks.

The petition was filed late Thursday after Chase Lincoln First Bank and Chemical Bank demanded "full and immediate payment." Chase Lincoln is owed about $3.7 million and Chemical Bank about $4 million.

Chicago Exchange Options

Figures as of close of trading Friday.

Over-the-Counter

Consolidated trading for week ended Friday.

			Sales in 100s	High	Low	Last	Net Ch'ge
TritonG			6587	1⅞	1¾	1⅞	— ⅛
Tril pfC	1.20	10.4	727	12	11½	11½	— ½
TrstNJ	1.20e	3.1	31	38½	38½	38½	+ ¼
TurfPar			43	7⅛	6⅞	6⅞	— ¼
202 Dta			114	3¼	3¼	3¼	
I							
II Morw			199	13¼	13	13	
U							
Unifi wt			22	5	4½	5	+ ½
UnSpIC			30	11¾	11¾	11¾	
UCount	1.60	3.7	96	43½	42	43½	+2½
UFdBk	.52	2.5	655	21	19¾	20½	— ½
UnFncl	t		45	11¾	11¾	11¾	
UFireCs	.80	3.1	6	25½	25½	25½	
UHltCr			476	9⅝	9⅜	9⅜	— ¼
UnHm g			1183	2	1½	2	+ ¼
UnBkNJ	1.20b	2.3	4	52½	52	52½	+ ½
UnSvMo	.28	1.6		16	16	16	
USvAd pf			629	4⅛	3⅞	3⅞	— ⅛
USMed			162	5	4¼	4¼	— ¾
US Play			101	12¾	12½	12½	— ¼
US Pl wt			18	5¼	4	4	—1¼
US Sugr				47	47	47	
UVaBk pf	2.75	6.5	10	44½	42½	42½	—2
V							
VM Sft			758	22⅝	22	22	— ⅞
VMS			1	10	9¾	10	
ValIR s	.291	4.0	9507	8⅝	7⅛	7⅜	— ⅝
VacDry			64	6	5¾	6	
ValIAsc			6	33½	33¼	33½	+ ⅛
Velcro	.92	2.7	43	34½	33½	33¾	— ¾
VtFedl			64	12¼	12	12¼	
Vicom			171	2⅜	2	2⅛	— ⅜
VictMkt	.40b	2.3	50	17⅜	17¼	17¼	— ½
ViewMs			233	10⅝	10⅜	10⅝	
Vipont			3272	18⅞	17⅜	17⅜	— ⅛
VaFst	.10e	.8	340	12¾	9¾	12¾	+3
VisioRs	.20e	.7	14	29¼	29	29¼	
W							
WNS			642	10¾	9½	10¾	+1¼
Wacoal	.23e	1.5	5	15⅝	15	15⅝	
Waldb	t		252	21	20¼	20¾	+ ½
WlkrT wt			157	4	3⅝	3⅞	
WarnrC			599	3⅝	3⅜	3⅜	— ⅛
WelkG	.79e	12.5	930	7	6⅜	6⅜	
WstChm			43	10½	10¼	10½	+ ¼
WDeep	2.03e	5.9	1414	39⅝	34¼	34½	—1⅜
WnFncl			124	9¼	8⅞	9	
WtFdPR	.10e	.9	280	11	10⅞	11	+ ½
WHold	3.17e	12.4	918	28⅛	25¼	25⅝	— ⅜
WnWste			199	10¼	10	10¼	— ½
WstBcp	1.00	4.3	29	23½	23	23½	+ ½
WstwdGp	.20e	1.8	2	11	11	11	

Treasury Bills

Figures as of close of trading Friday

Due	Bid	Ask	Yld
-1985-			
8-22	6.49	6.41	6.50
8-29	6.48	6.42	6.52
9- 5	6.92	6.84	6.96
9-12	6.65	6.59	6.71
9-19	6.80	6.76	6.89
9-26	6.71	6.67	6.81
10- 3	7.07	7.03	7.19
10-10	7.09	7.05	7.22
10-17	7.10	7.06	7.24
10-24	7.13	7.09	7.28
10-31	7.14	7.10	7.30
11- 7	7.14	7.10	7.31
11-14	7.11	7.09	7.31
11-21	7.14	7.10	7.33
11-29	7.15	7.11	7.36
12- 5	7.14	7.10	7.35
12-12	7.13	7.09	7.35
12-19	7.13	7.09	7.36
12-26	7.13	7.09	7.37
-1986-			
1- 2	7.17	7.11	7.41
1- 9	7.22	7.18	7.49
1-16	7.26	7.22	7.55
1-23	7.29	7.23	7.57
1-30	7.30	7.26	7.61
2-06	7.31	7.27	7.63
[illegible]	7.30	7.28	7.66
2-20	7.33	7.29	7.67
3-20	7.34	7.28	7.67
4-17	7.39	7.35	7.76
5-15	7.42	7.38	7.82
6-12	7.41	7.37	7.84
7-10	7.43	7.39	7.89
8- 7	7.45	7.41	7.95

Source- Federal Re- serve Bank.

Kredietlux Indices

Aug. 16

(Base 100 May 1, 1977)

Industrials, US $ L.T.	102.813
Int'l Institutions US $ L.T.	104.492
US $ medium term	106.535
Canadian $ medium term	106.154
ECU medium term	106.494
UC ?	93.585
DM	100.259
Guilders	103.238
FF short term	110.29
F Lux	101.262
Int'l Inst. F Lux medium term	105.698
F Lux medium term	102.79
Int'l Inst. Yen long term	102.956
ECU short term	107.689
ECU long term	107.341

Isaac's Eventful Tenure at FDIC Draws to Close

(Continued from Page 7)

confidence in the banking system and to insure small deposits.

Its chief function was to insure deposits up to the maximum amount set by Congress — currently $100,000 per depositor in any one institution. For most of its history that was a minimal job because rarely were there more than five failures a year, and the agency's insurance reserves were never under any pressure.

But as the number of failures and near-failures rose during his tenure, taxing the resources of the insurance fund and his agency, Mr. Isaac needed to find ways to protect the resources.

The biggest bank rescue in the FDIC's history was that of Continental Illinois. But he also had to deal with the collapse of several of the biggest U.S. savings banks; the failures of several large banks that specialized in energy lending, and the failures of 26 banks in Tennessee.

Mr. Isaac has shifted the FDIC's primary function from that of a regulatory and supervisory body to one mainly concerned with protecting the resources of its insurance fund. Under Mr. Isaac the FDIC has placed far more emphasis on taking measures intended to lessen the risk of bank failures.

Instead of merely examining the smallest banks, the agency now regularly examines all U.S. banks with assets of $1 billion or more and all banks that are in trouble, even if their primary regulator is the Comptroller of the Currency or the Federal Reserve System.

Also, under Mr. Isaac the number of enforcement actions against banks and bankers has soared. Such actions include cease-and-desist orders, fines against officers and directors and actions to terminate FDIC insurance. In each of the last two years, there were about 250 enforcement actions, up from 50 in 1980. In one case a fine of $5.4 million was levied on three individuals; the highest fine in the past had been about $151,000. In 1980, total fines came to only $2,000. So far this year, they total $8.8 million.

Under Mr. Isaac, the FDIC has become far more aggressive in forcing the removal of senior bankers. This year, 25 bank officials have been removed by the agency, up from 23 in all of 1984, nine in 1983, six in 1982 and none in 1981.

For some time, Mr. Isaac had asked the major banks to increase their primary capital in relation to their total assets. Primary capital is the money that actually belongs to a bank and its shareholders; the rest is borrowed, largely in the form of deposits.

Because they were not directly regulated by the FDIC, the major banks had been ignoring Mr. Isaac's capital requirements. Eventually he drove his point home. In 1982, several New York banks wanted to acquire a number of Tennessee banks that were failing. But Mr. Isaac said he did not allow them to bid because their capital levels were too low.

Since then, the other federal bank regulators have come around to Mr. Isaac's position and now they all require a minimum 5.5-percent primary capital for all banks.

Mr. Isaac took a law degree from Ohio State University, and later practiced law with Foley & Lardner in Milwaukee. Just before joining the FDIC, Mr. Isaac had been vice president, general counsel and secretary of First Kentucky Corp., a bank holding company.

During his days in Milwaukee, he became active in Republican politics but also became well acquainted with leading Democrats in Wisconsin.

That was how President Jimmy Carter came to select Mr. Isaac in 1978 to fill the Republican seat on the three-man FDIC board. The three members traditionally are a Democrat, a Republican and the Comptroller of the Currency.

President Ronald Reagan appointed Mr. Isaac, who shares the administration's strong belief in reducing the role of government and in allowing market forces to prevail, to the FDIC's chairmanship.

Almost every banker who has dealt with Mr. Isaac describes him similarly.

"He is not easy to get along with," said Ross Kenzie, chairman of the Goldome Savings Bank, based in Buffalo, New York, which became one of the biggest savings banks in the United States as the result of FDIC-arranged takeovers of failing institutions.

Partly because of Mr. Isaac's unyielding position on capital strength, Mr. Kenzie gave up Goldome's state charter and switched to a federal charter, putting Goldome under the Federal Home Loan Bank Board, not the FDIC.

Mr. Kenzie still praises Mr. Isaac, however. "He's very good," he said. "He's tough, single-minded; he's clearly interested only in the soundness of the FDIC's fund. That's what most people criticize him for, but that's his job."

IBM Japan's JX Computer Has a Slow Start

New York Times Service

TOKYO — With great fanfare, IBM Japan introduced its JX personal computer almost a year ago. More powerful than International Business Machine's ill-fated home computer in the United States, the PCjr, and smaller than a PC, the JX boasted sparkling color graphics and the capability to use either Japanese or English software.

Its introduction marked IBM's advancement in Japan's small business and home marketplace, potentially a huge base of computer users in a gadget-happy country.

So far, however, the JX has not met with a kinder fate than its American relative, the PCjr, whose production was halted earlier this year. Carole A. Ryavec, a computer analyst with Merrill Lynch in Japan, estimated 1984 sales at only 6,000 machines, and some other analysts put the number even lower. Nikkei Computer, a trade journal, estimated JX sales in the first six months of 1985 at 2,000 machines.

IBM Japan will not comment on sales figures. But its executives do not claim great success, and that may be a telling sign for those in the industry who speculated a few months ago that the JX, made by the Matsushita Electric Industrial Co., might be brought to the United States.

"JX was the first product that IBM had to offer in the storefront," said Takeo Shiina, head of IBM Japan. "We are still learning the process."

NEC Corp., though it will not release exact sales figures, estimates that its comparable model is outselling IBM's by several times.

Analysts say JX's slow start may be due in part to the fact that the home market, as in the United States, may not yet exist.

IBM Japan's chief competitors, however, Fujitsu Ltd. and NEC, appear to be out-selling the JX because of their superior retail-sales networks, according to analysts.

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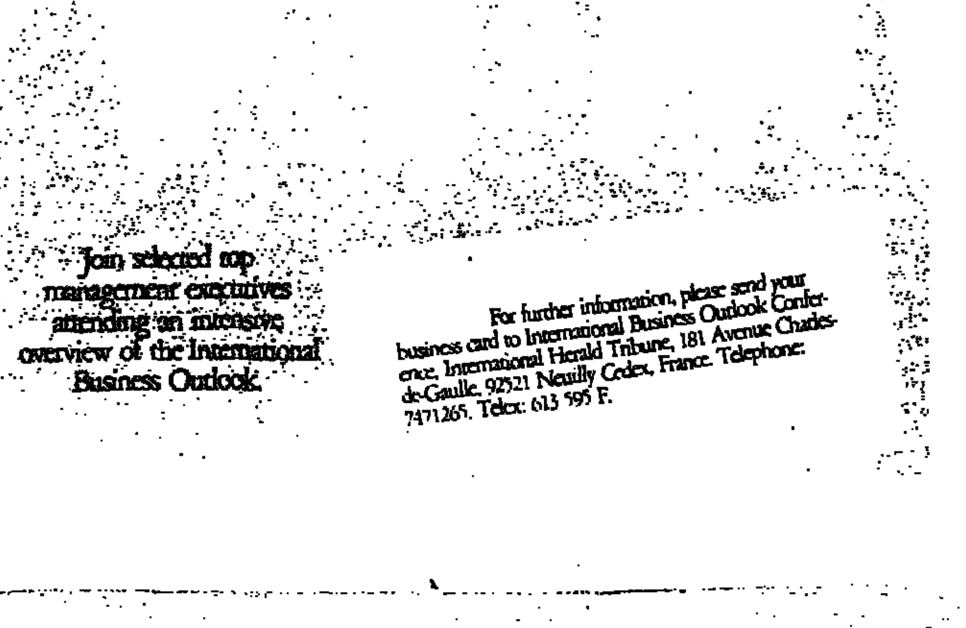

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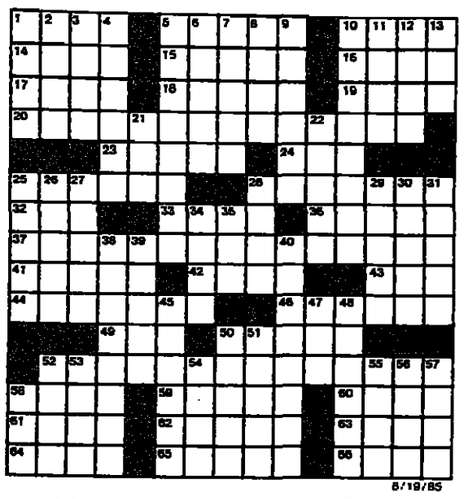

8/19/85

ACROSS

1 Cinch
5 Aegean island or U.S. satellite
10 Important hormone
14 Explorer Marco
15 Trieste's NW neighbor
16 Chinese dynasty
17 Love, in León
18 Helicopter blade
19 Boxing program
20 Return-to-school blues?
23 Zodiacal sign
24 Where R.N.'s sometimes work
25 Carpet fibers
28 Carousing
32 Tolstoy
33 River dividing New York City
36 Sculptor's piece
37 Ready to oen an essay?
41 "—— Is Born"
42 Anagram for ache
43 Third letter
44 Preordain
46 Cesar of old films
49 Hudson Bay sight
50 "Dum ——, spero" (S.C. motto)
52 Teacher's chair?
58 Alone
59 Wreck completely
60 Tom of the P.G.A.
61 Nay man
62 Rage onstage
63 College in N.C.
64 "—— Indigo," 1931 song
65 Sorrow, to Keats
66 Accomplishment

DOWN

1 Health resorts
2 Alaskan city
3 Asymmetrical
4 Door or gate
5 Conjectures
6 House of clay
7 Pittances
8 —— about (date-setting phrase)
9 Homily
10 Inure
11 Reduce to carbon
12 Ragged
13 Paul Newman role: 1963
21 Before, to Longfellow
22 Declaim
25 Homeric epic
26 Import
27 Casper's wife in comics
28 Of the ear
29 Sicilian site of Temple of Venus
30 Lou Grant portrayer
31 Western jamboree
34 Bide ——
35 Mrs., in Mexico
38 Carnivorous snail
39 City in Okla.
40 Hitchcock film, e.g.
45 Settled in cozily
47 Pay dirt
48 Scoffed
50 Sonoran's liquor
51 Pupil of Socrates
52 Up —— good
53 Choir voice
54 Singer Perry
55 Mah-jongg piece
56 Plains Indian
57 Sever or sunder
58 Browne or Houston

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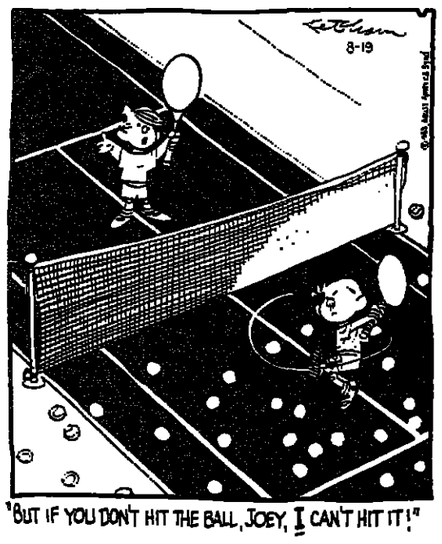
DENNIS THE MENACE



"BUT IF YOU DON'T HIT THE BALL, JOEY, I CAN'T HIT IT!"

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

VOGEL

FELCT

TUSACC

DOAFER

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here:

(Answers tomorrow)

Friday's Jumbles: DRAWL EIGHT DEPICT NAUSEA
Answer: If you're going to act like a skunk just make sure that nobody does this— GETS WIND OF IT

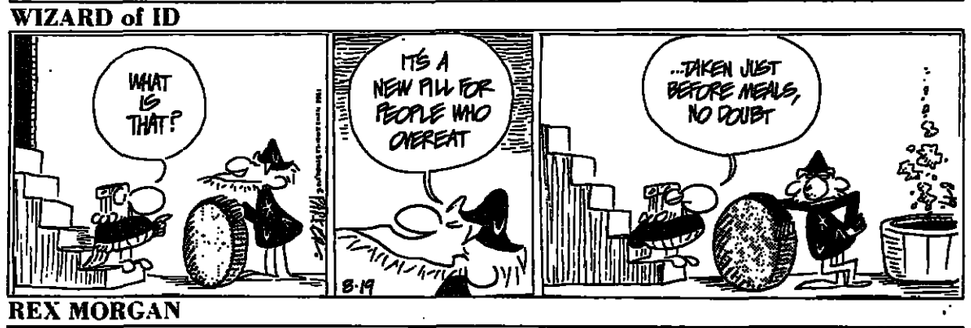
PEANUTS

BLONDIE

BEETLE BAILEY

ANDY CAPP

WIZARD of ID



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BOOKS

COMEBACK:
Case by Case, Building the Resurgence of American Business

By Ezra F. Vogel. 320 pages. $17.95. Simon & Schuster, 1230 Avenue of the Americas, New York, N. Y. 10020.

Reviewed by Charles D. Sherman

A JAPANESE diplomat in the United States said after reading "Japan As No. 1," an earlier work by Ezra Vogel, that he liked it but that the title bothered him. "It's embarrassing," he said. "It calls too much attention to us."

Immodest as the title may have seemed to them, the Japanese swallowed several printings with pride. The study of Japanese society, its successes, excesses and even apparent failures, represented recognition that Japan had caught up with the best of the West, 100 years after emerging from feudalism and just a generation after a devastating war.

Publishing houses have gushed with books on Japan in the last decade, from academic renderings of the country's economic performance to a shelf of cultural work on West meets East. But Vogel, a sociology professor at Harvard University, has been among the foremost in explaining the threat and promise of Japan's highly organized society to Western laymen.

Six years after "Japan As No. 1," Vogel has returned with "Comeback," a broader and more polemical analysis of the ingredients not only of Japanese success but American. It opens with a warning that if the United States, or the rest of the industrial world for that matter, does not act, Japan's pre-eminence in international trade could lead to lasting global dominance in industry, technology and commerce.

Vogel explores eight cases of problem-solving on a national or regional scale in Japan and the United States. The Japanese examples show how Japan in 25 years established itself from scratch as the world's leading shipbuilder, assembled an internationally competitive machine-tool industry, phased out its declining coal mines and is gearing up to lead what is envisioned as a revolution in computer technology and information processing.

Vogel's Japanese accounts are energetic and colorful, filled in with interviews with many of the chief players in each episode.

He uses each case to plead his central argument: Leaders in industry and the country's elite corps of government bureaucrats have formed an alliance to advance Japan's long-term interests. It is a seemingly simple lesson, but, Vogel says, one that has been lost on the United States.

Turning to American success stories in the second half of the book, Vogel and four co-authors consider the U. S. mission to land a man on the moon, the achievement of a government program to promote agricultural exports, the government's pump-priming of the housing construction boom after World War II, and the generation of planning by North Carolina civic and business leaders that led to opening of a major high-tech research and production center.

Vogel complains that, unlike Japan's carefully targeted policies, the United States's triumphs most often come in reaction to crises, such as the launching of Sputnik, the shortage of homes for soldiers returning from the war, the decline of North Carolina's traditional industries in textiles, furniture and tobacco.

The conclusion he draws from the U. S. success stories is that the United States can perform when it must, though with less efficiency than Japan. U. S. government and industry have worked together successfully, but if the United States is to meet the challenge of increasingly tough international economic competition, government and industry must perform not as traditional adversaries but as partners.

Vogel and others who make this argument, such as Robert Reich, a Harvard economics professor, have become known as the "Atari Democrats." In last year's race for the Democratic presidential nomination, their ideas formed a basis of debate between Gary Hart and Walter F. Mondale over how to keep the United States competitive internationally in a high-tech era.

In arguing that the United States has much to learn from Japan, Vogel runs up against the contention that the United States's power and know-how cannot be tinkered with and fine-tuned the way Japan, with its homogenous population, has streamlined for success. But he asks how many more U. S. industries will decline and fail before policies are developed to meet the threat. Otherwise he fears economic retreat, the ruinous refuge of trade protectionism, more unemployment and a decline in living standards.

"The complexity of contemporary life requires national coordination," he writes. "With a smaller percentage of GNP going to civilian government services than in the United States, [the Japanese] have devised a system that obtains superior information and analysis and is more flexible and faster in providing a broad range of possible solutions for companies to adapt to the international marketplace."

He also fears a scenario described by a Nissan automobile executive, who bluntly told an American: "There should, of course, be a world division of labor. Japan is very good at making cars. The United States is very good at growing soybeans."

Charles D. Sherman is on the staff of the International Herald Tribune.

Solution to Friday's Puzzle

W	A	N	E		S	L	A	B			S	A	W	S
A	H	E	M		M	A	N	I	A		U	T	A	H
R	O	A	D	T	O	S	I	N	G	A	P	O	R	E
S	T	R	E	A	K			D	I	L	E	M	M	A
		A	N	T	E	S		S	T	I	R			
A	P	T		A	R	T	S		A	F	F	E	C	T
L	E	H	A	R		A	M	A	T		I	N	R	E
A	P	A	S	S	A	G	E	T	O	I	N	D	I	A
T	I	N	S		C	E	L	L		T	E	E	M	S
E	N	D	U	R	E		L	A	S	H		A	P	E
		R	O	T	C		S	T	A	R	R			
U	R	U	G	U	A	Y			A	C	A	M	E	L
S	T	R	E	E	T	S	O	F	L	A	R	E	D	O
N	E	I	N		E	T	U	D	E		E	N	D	S
A	S	S	T			S	T	A	R		E	T	A	T

8/17/85

First Complete Scots Dictionary

Reuters

EDINBURGH — The first complete dictionary of Scots, a variation of English often incomprehensible to other anglophones, has been published by Aberdeen University Press. The 864-page Concise Scots Dictionary lists words from as far back as the 12th century. Some, such as "pinky" for the little finger, have passed into used in standard English.

BRIDGE

By Alan Truscott

ON the diagramed deal, South landed in six clubs doubled. The heart king was led and the suit was continued. He ruffed, and had to find a way to avoid a spade loser.

It is easy to see that he would have succeeded by drawing trumps and taking a diamond finesse. But he had to take into account the meaning of West's final double. "If this is a save-oriented auction," East told him in response to a question, "the double would show no defensive tricks by the partnership agreement."

South concluded from this, wrongly as it turned out, that the diamond queen was on his right. In the hope, admittedly rather a faint one, that the diamonds were divided evenly, he cashed the club queen and played the ace and king of diamonds, saving dummy's club king as a reentry. Unfortunately, East ruffed the second diamond lead, and a spade trick was lost eventually.

NORTH
♠ 7 3
♡ Q 3 6 3
◇ A K 8 4 3
♣ K 4

WEST
♠ J 6 5 4 2
♡ K 2
◇ Q 7 6 5 2
♣ 8

EAST
♠ K Q 10 9
♡ A 10 9 7 5 4
◇ 9
♣ 9 2

SOUTH (D)
♠ A 8
♡ J
◇ J 10
♣ A Q J 10 8 7 5 3

North and South were vulnerable.

The bidding:

South	West	North	East
1 ♣	Pass	1 ◇	Dbl.
3 ♣	4 ♠	5 ♣	5 ♠
Pass	Pass	6 ♣	Dbl.
Pass	Pass	Pass	

West led the heart king.

Alpiger Wins 2 Cup Races In Argentina

Compiled by Our Staff From Dispatches

VALLE DE LAS LENAS, Argentina — Karl Alpiger of Switzerland won the first two downhill races of the World Cup season Friday and Saturday, in South America's first major ski competition since 1966.

Alpiger was clocked in 2 minutes 1.27 seconds for the 3,627-meter (11,969-foot) course. Peter Muller of Switzerland was .11 seconds slower, and Markus Wasmaier of West Germany was third, .46 seconds behind.

Alpiger won Friday's inaugural race of the 1985-86 World Cup circuit at this Andean resort with a time of 1:47.74. Doug Lewis of Salisbury, Vermont, had his best performance ever with a second-place finish, .04 back, and Helmut Höflehner of Austria finished third, .23 seconds behind Alpiger.

The times were faster on Friday because gusty winds at the summit forced organizers to shorten the course, and because on Saturday above-freezing temperatures made the course slushy. Lewis, who was 15th on Saturday, with a time of 2:03.38, blamed his performance on the soft snow.

"It was wonderful," said Alpiger, 24, of Saturday's race. He said he had fulfilled a pledge to himself to race even better than on Friday.

When it was suggested that his successive victories made him the world's fastest downhiller, he responded: "The rankings may say that, but maybe 15 skiers are on the same level. I'm just the happiest."

Muller, who had finished fourth Friday, was disappointed with his performance. "I made the same mistakes I made yesterday," he said. "I was too careful. It cost me about half a second.

"Perhaps I am too old," said Muller, 28. "I pulled back at the final jump. You can't win and do that."

Pirmin Zurbriggen of Switzerland, the defending World Cup champion, finished 24th at 2:03.96. He said the tip of his right ski split after the course's longest jump, causing him to nearly fall. "It became so slow I skied the last tuck on one ski," he said.

Zurbriggen finished ninth on Friday, in a race in which five skiers fell.

The races at this resort 800 miles (1,300 kilometers) west of Buenos Aires were the first major ski event in South America since the 1966 World Alpine Championships at Portillo, Chile. They marked the first time in its nine years of existence that the World Cup has opened its tour in August, or has staged any race in the Southern Hemisphere. *(AP, UPI)*

Reuters-UPI

TASTING FRUSTRATION — Beth Daniel shared the pain with her putter Saturday after ball stopped short at LPGA World Championship in Georgia. Daniel, Amy Alcott and Patty Sheehan led after three rounds; Alcott beat Sheehan on Sunday on the second hole of a playoff.

Two Drivers Escape Crash Of Helicopter

The Associated Press

LONG POND, Pennsylvania — A helicopter carrying race car drivers Michael Andretti and Kevin Cogan hit a power line and crashed Sunday morning as they were taking off to a race, state police said.

No one was seriously hurt.

Andretti's father, racing veteran Mario Andretti, and actor Paul Newman, co-owner of Mario Andretti's race car, were taking off in another helicopter at the time.

State police said the Bell Ranger helicopter crashed about 9:30 A.M. as it was taking off from Mario Andretti's home in Hawley.

Cogan, interviewed later at Pocono International Raceway before the race began, said the helicopter drifted back into the power line as the pilot hovered to wait for the second helicopter to take off.

"The worst part of it was, I could see it coming," said Cogan, who said he realized the pilot was busy watching the second helicopter. "I yelled but he had those big headphones on and he couldn't hear me. Then Don Henderson saw it and yelled to him, but by then it was too late, and all hell broke loose."

Michael Andretti was X-rayed at a hospital for a possible back injury, but none was found and he was released, Henderson said. The pilot was examined for lower back pain and another passenger was treated for a small cut on the head.

Henderson, Mario Andretti's business manager, was not hurt. Also on board but not injured were Michael Andretti's fiancee, Sandra Spinozzi of Nazareth, Pennsylvania, and Cogan's girlfriend, Tracy Sanford of Phoenix, Arizona.

Cogan said they fell into a large tree and that the branches cushioned their fall as they broke off.

SPORTS BRIEFS

U.S. Swimmers Set 2 World Marks in Tokyo

TOKYO (AP) — The United States set its second world record in two days Sunday at the Pan Pacific Swimming Championships as Rick Carey, John Moffet, Pablo Morales and Matt Biondi won the 4x100-meter medley relay in 3 minutes and 38.28 seconds. The old record, 3:39.30, was set in 1984 by a U.S. team.

On Saturday, in the men's 4x100 freestyle relay, Biondi teamed with Scott McCadam, Mike Heath and Paul Wallace to finish in 3:17.08, shattering the mark of 3:19.03 set by the U.S. team in Los Angeles at the 1984 Olympics.

The United States won 24 gold medals during the meet, followed by Australia with three, Canada with two and New Zealand, Brazil and Japan with one each.

SMU Football Is Given 3-Year Probation

MISSION, Kansas (AP) — The NCAA, citing Southern Methodist University's "history of involvement" in rule violations, imposed a three-year probation Friday on the school's football program. It is the progam's fourth probation in 11 years.

The NCAA also barred SMU games from being televised during the 1986 season, prohibited SMU appearances in bowl games after the 1985 and 1986 seasons and limited football scholarships to none next season and 15 in 1986.

Among the NCAA's charges were: The program gave $5,000 to the family of a prospect and promised the prospect a $300 monthly allowance during his SMU career; paid for repairs to players' cars; gave up to $2,000 to family members of other recruits, and provided improper expenses to recruits and their families.

Chief's Crown Takes Travers at Saratoga

SARATOGA SPRINGS, New York (NYT) — Chief's Crown, last year's two-year-old champion and the beaten favorite in the Triple Crown races this spring, won the $293,000 Travers Stakes by 2½ lengths Saturday at Saratoga Race Track.

The 6-to-5 favorite in a field of seven, Chief's Crown, under Angel Cordero Jr., stayed off a slow pace, moved outside around the turn, and chased down the leaders. Turkoman was second, in front of Skip Trial.

For the Record

Spend a Buck, this year's Kentucky Derby winner, held off Carr De Naskra Saturday to win the $270,300 Monmouth Handicap in 1:45.80, a record for the 1⅛-mile (1.8-kilometer) event at Monmouth Park in Oceanport, New Jersey. *(AP)*

Grade One, a 49-to-1 shot who cost $6,000 to buy as a yearling, won harness racing's richest purse, the Woodrow Wilson Pace Friday night at the Meadowlands in East Rutherford, New Jersey, and brought his owner $672,000. *(AP)*

Sandy Lyle birdied six of the last eight holes for an 8-under 64 and a one-shot victory Sunday in the Benson and Hedges International Open golf tournament in York, England. Ian Woosnam, also of Britain, finished second after a course record 62. *(UPI)*

Ken Green carded 5-under 67 Saturday at the the Buick Open golf tournament in Grand Blanc, Michigan; he held a one-shot lead over Gene Sauers and Wayne Grady of Australia after three rounds. *(AP)*

Quotable

"In fact, that's what coaching has in common with the world's oldest profession. It's not the long hours that get you, it's the amateur competition." — Fred Akers, University of Texas football coach, on unsolicited advice from alumni. *(AP)*

WEATHER

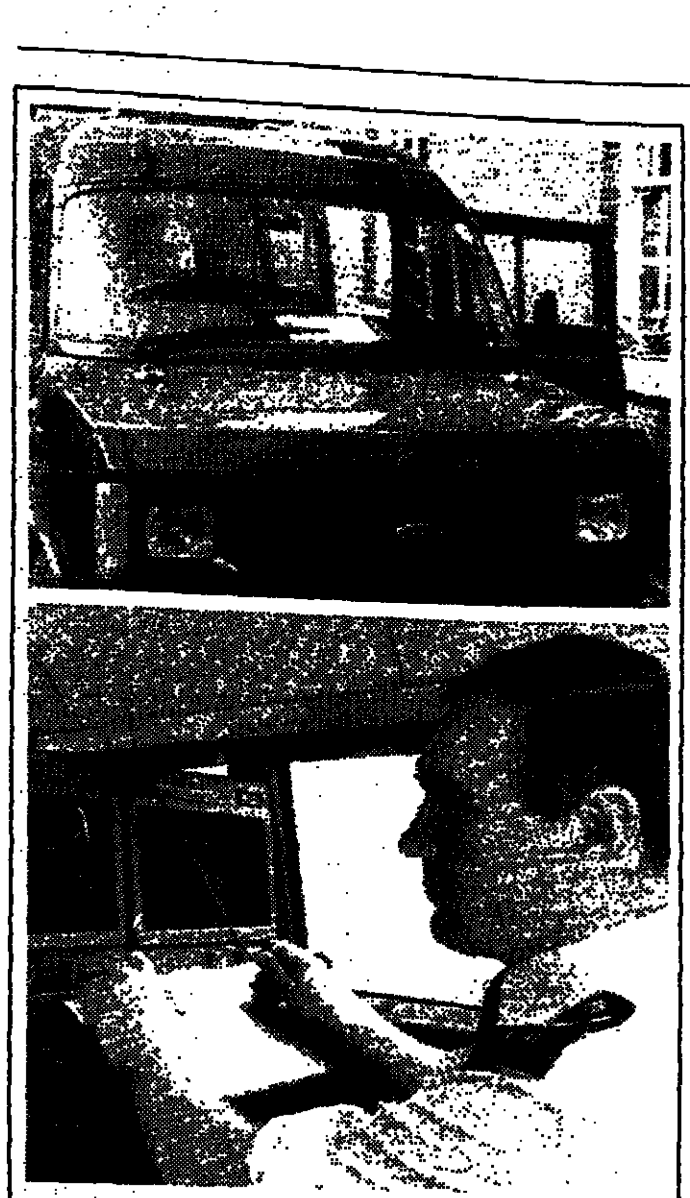
EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	27	81	19	66	fr
Amsterdam	18	64	10	50	fr
Athens	33	91	20	68	fr
Barcelona	28	82	20	68	fr
Belgrade	28	82	18	64	fr
Berlin	20	68	12	54	fr
Brussels	19	66	9	48	cl
Bucharest	32	90	15	59	fr
Budapest	20	68	17	63	sl
Copenhagen	21	70	13	55	o
Costa Del Sol	28	82	19	66	fr
Dublin	19	66	13	55	cl
Edinburgh	17	63	7	45	sh
Florence	34	93	20	68	fr
Frankfurt	18	64	9	48	o
Geneva	24	75	9	48	cl
Helsinki	24	75	14	57	fr
Istanbul	29	84	21	70	fr
Las Palmas	26	79	21	70	fr
Lisbon	28	82	17	63	Fr
London	22	72	12	54	o
Madrid	35	95	15	59	fr
Milan	31	88	17	63	fr
Moscow	28	82	16	61	fr
Munich	18	64	9	48	fr
Nice	28	82	21	70	fr
Oslo	23	73	11	52	fr
Paris	22	72	15	59	cl
Prague	20	68	11	52	sh
Reykjavik	14	57	8	46	fr
Rome	30	86	23	73	fr
Stockholm	22	72	14	57	fr
Strasbourg	22	72	10	50	o
Venice	28	82	11	52	fr
Vienna	20	68	13	55	sh
Warsaw	20	68	14	57	c
Zurich	21	70	10	50	cl
MIDDLE EAST					
Ankara	34	93	15	59	fr
Beirut	29	84	27	81	fr
Damascus	30	844	22	72	fr
Jerusalem	29	84	19	66	fr
Tel Aviv	31	88	24	75	fr
OCEANIA					
Auckland	14	57	5	41	o
Sydney	16	61	10	50	sl

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	33	91	26	79	cl
Beijing	27	81	22	72	fr
Hong Kong	32	90	28	82	cl
Manila	31	88	25	77	cl
New Delhi	31	88	27	81	o
Seoul	32	90	24	75	cl
Shanghai	31	88	25	77	r
Singapore	28	82	27	81	sh
Taipei	35	95	29	84	r
Tokyo	29	84	27	81	fr
AFRICA					
Algiers	30	86	17	63	fr
Cairo	36	97	23	73	fr
Cape Town	17	63	6	43	fr
Casablanca	26	79	19	66	fr
Harare	—	—	—	—	na
Lagos	26	79	24	75	r
Nairobi	25	77	15	59	fr
Tunis	36	97	20	68	fr
LATIN AMERICA					
Buenos Aires	20	68	8	46	fr
Caracas	—	—	—	—	na
Lima	17	63	14	57	o
Mexico City	25	77	13	55	pc
Rio de Janeiro	25	77	20	68	fr
NORTH AMERICA					
Anchorage	18	64	6	43	pc
Atlanta	30	86	21	70	pc
Boston	24	75	16	61	pc
Chicago	26	79	18	64	pc
Denver	27	81	10	50	pc
Detroit	28	82	16	61	sl
Honolulu	31	88	23	73	pc
Houston	36	96	24	75	pc
Los Angeles	26	79	18	64	fr
Miami	32	90	25	77	pc
Minneapolis	23	73	12	54	pc
Montreal	25	77	10	50	r
Nassau	32	90	25	77	fr
New York	25	77	19	66	r
San Francisco	20	68	14	57	cl
Seattle	26	79	14	57	fr
Toronto	27	81	10	50	fr
Washington	26	79	20	68	r

cl-cloudy; fo-foggy; fr-fair; h-hail; na-not available; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

MONDAY'S FORECAST — CHANNEL: Moderate. FRANKFURT: Fair. Temp. 18 — 10 (64 — 50). LONDON: Showers. Temp. 18 — 12 (64 — 54). MADRID: Fair. Temp. 35 — 15 (95 — 59). NEW YORK: Rain. Temp. 25 — 19 (77 — 66). PARIS: Stormy. Temp. 23 — 15 (73 — 59). ROME: Fair. Temp. 30 — 23 (86 — 73). TEL AVIV: Fair. Temp. 31 — 24 (86 — 68). ZURICH: Fair. Temp. 22 — 10 (72 — 50). BANGKOK: na. HONG KONG: na. MANILA: na. SEOUL: na. SINGAPORE: na. TOKYO: na.

SPORTS



Police officers in a "Hoolivan" linked to closed-circuit television monitored spectators at Leeds United match.

Reuters

Britain's Soccer Season Begins on a Bad Note

The Associated Press

LONDON — Rival fans chanting obscenities drowned out hymns sung by a bishop and a priest at the Liverpool-Arsenal match that helped open the British soccer season Saturday.

The memorial service was held to honor the 39 people killed last May in a riot at the European Cup soccer final in Belgium, in which a Liverpool team played. Its fans were blamed for much of the violence.

At another match Saturday, in Birmingham, some fans tried to get at supporters of the opposing team but mounted police averted violence.

Britain's national sport is on trial this year because of the Brussels riot. Another spectator was killed in rioting at Birmingham at the close of last season. As a result of the first tragedy, English teams were banned from European competition. The government cracked down by banning alcohol and installing closed-circuit cameras for police to use to spot troublemakers.

The Roman Catholic archbishop of Liverpool, the Most Reverend Derek Worlock, and the Anglican bishop, the Right Reverend David Sheppard, led the singing of the hymn "Abide With Me" before the Liverpool match. But supporters of the home team began chanting obscenities and Arsenal fans answered with their own chants after one verse.

Eventually, none of the service could be heard.

Police took no action and there was no comment by either of the teams.

In Birmingham, the start of the match was moved to the morning in hopes that it would be too early for troublemakers. But toward the end of the game, West Midlands Chief Constable Geoffrey Dear led a mounted police squadron into the crowd when Birmingham City fans began surging toward West Ham backers.

"It could have been a very dangerous situation," Dear said. "If the horses had not been there, the fans would have got at one another."

He said he and about five other mounted policemen cantered into the attacking supporters, who then backed off. There were no arrests.

On the whole, authorities said, the new domestic league season got off to a relatively calm and well-behaved start with 44 matches. Attendance was said to be down about 15 percent from last year's opening day.

A Scotland Yard spokesman in London said Saturday was "a very good start to the season" with no crowd problems at any of the capital's soccer grounds.

Baseball's Foul Balls Have Deserved the Bad Name

By Thomas Boswell
Washington Post Service

WASHINGTON — Every baseball fan wants to catch a big league foul ball. But last month in Baltimore, William Joyner almost became the first to die for the souvenir.

"I can't believe I almost killed myself over something that costs, what, maybe two or three dollars," he said last week.

Sitting in the front row of the upper deck in Memorial Stadium, along the first base line, Joyner leaned forward and sideways to try to snag a high foul hit by Frank White of the Kansas City Royals.

An instant later, July 18 had become a date he would never forget.

He does not remember precisely how he fell, except that "my concentration on the ball was total" and that, as the ball curved away, he went over sideways. How he reached backward and grabbed the railing with one hand also is a blur. He does, barely, recall getting both hands on something solid and clambering back to his seat. "I sat there spitting out blood but I couldn't have cared less. I just kept saying to myself, 'Here I am, back in my seat.' "

Joyner, who had not previously talked about the incident publicly, has taken the tack that, "It looked a lot worse than it was. As soon as I sensed I was going over, I grabbed the rail."

But those who saw him tumble though he was just one sweaty palm away from catastrophe. Only one person ever has fallen out of Memorial Stadium's upper deck, in 1969, and he died.

A construction electrician who works on industrial buildings, Joyner must be safety-conscious every minute of his work day. High voltages and high altitudes are routine. His father worked construction, once took a 20-foot (6-meter) fall and preached caution.

What others now treat as an adventure and a moment of fame, Joyner sees as "totally embarrassing." He said that "friends had glossy prints made up for me, like I'd want to keep it my whole life to remember.

"I'm trying to get rid of it."

That has been hard.

"The first two days after it happened, that's all I thought about 24 hours a day. It's a shaking experience. On Saturday morning, my head was clear and I said, 'It's finally over.' I turned on CNN (Cable News Network) and there was a picture of me" hanging from the railing.

"I said, 'Oh, my God, it's not over.' "

The cruelest twist for Joyner is that, as a front-row season-ticket holder, he already had a firm point of view about such incidents before it ever happened to him. "Remember the guy" who in 1982 fell over the rail "in Cincinnati? It was on TV. I thought, 'There's a real jerk.'

"That's the way I figure everybody in the whole world thinks of me."

For this and the tradition of foul ball chasing, Joyner has one man to thank: Reuben Berman. Berman died eight years ago, but may yet become the only fan in the Hall of Fame.

As recently as 1921, the Spalding Base Ball Guide rule book said that "all balls batted or thrown out of the ground or into a stand shall, when returned to the field, be given into the custody of the umpire immediately."

Fans used to give the balls back. At least until the day Berman, sitting in the Polo Grounds in New York, decided he was going to keep his. When ushers demanded that he fork it over, Berman threw the ball to another fan rather than give it up. When officials dragged him out of the crowd, threatened to have him arrested and ejected him from the park, Berman took the club to court.

In the case of Reuben Berman vs. National Exhibition Co., the Supreme Court of New York County ruled in 1921 that Berman should have been allowed to keep the baseball he caught.

Berman was the first fan to go to court over a foul ball, but he was hardly the last. Last week, in a case of potentially huge significance to baseball, a state district judge, Robert Montgomery in Memphis, Texas, overruled a jury's finding that $180,000 should go to a woman hit by a ball as she was getting autographs above the dugout at the Houston Astrodome.

Jurors had found the Astros' owners negligent for not warning fans of the danger of foul balls. This case has hung fire for seven years, since Karen Friedman, then 11, was struck by a line drive off the bat of Enos Cabell. A facial bone was broken and an eye injured. Doctors had to insert a plate in her head and, she says, she still has vision problems.

Major league teams have been worried by this trial. Last week, the Philadelphia Phillies were making a public address announcement before the national anthem, saying that both balls and bats could be a danger to fans and that "anyone wishing to leave the park now" could have his money refunded.

No other such suits have ever been filed, according to the commissioner's office. Perhaps that is surprising. A boy in Dodger Stadium once was hit by a line drive and later died. That is believed to be the game's only foul-ball-related fatality. There have been, however, many close calls.

The players themselves do little joking about foul balls. Hall of Fame pitcher Bob Feller holds the undisputed record for bad luck. His hard foul ball hit his mother. Then there is the New York Yankees' catcher, Butch Wynegar. Two months ago, in Baltimore, he was kneeling in the on-deck circle when a foul struck him in the temple. Although the ball hit his helmet, Wynegar was knocked unconscious and taken to the hospital, where he was kept three days for tests. He ended up on the disabled list and lost his starting job.

The most famous foul in history probably was of recent vintage. With two outs left to go in the sixth game of the 1980 World Series, Kansas City had the bases loaded and the go-ahead run at bat when a high foul drifted toward the Philadelphia dugout.

The ball popped out of catcher Bob Boone's glove, but Pete Rose made a reflex, knee-high grab on the lip of the dugout. One out later, the Phillies had won their only world title in 101 years of existence.

The man who hit that foul pop was Frank White.

William Joyner can be thankful that the same player will not be remembered for hitting both of the most memorable foul balls in baseball's history.

Lowly Pirates Down High-Flying Mets

Compiled by Our Staff From Dispatches

PITTSBURGH — Although it has been a miserable year for the Pittsburgh Pirates and Bill Madlock, they had a game to be proud of Friday night as they played an important role in the National League East pennant race.

Madlock hit a two-run homer and Rick Rhoden scattered nine hits as the last-place Pirates ended a nine-game losing streak with a 7-1 victory over the New York Mets, knocking them out of a first-place tie with St. Louis.

"I don't expect to be here too much longer," Madlock said. "I hope I'm not. It's not because I don't like the organization or anything. It's just that I know the situation" with the troubled franchise.

Madlock's homer came in the fifth inning off Ed Lynch, 10-6, whose six-game winning streak ended. He had not lost since June 28.

"Everything I threw, they hit," Lynch said. "As good as those guys were tonight, it's hard to believe their record."

Rhoden walked one and struck out seven. The only run he allowed was unearned, on Howard Johnson's single in the eighth after an error by left fielder Joe Orsulak.

FRIDAY BASEBALL

Cardinals 6, Expos 1: In St. Louis, Jack Clark and Tito Landrum each hit a home run and Bob Forsch pitched a four-hitter to beat Montreal. Forsch pitched his second complete game.

Cubs 6, Phillies 5: Chris Speier's bases-loaded bunt with two outs in the eighth in Chicago scored Bob Dernier with the run that edged Philadelphia. Speier's bunt, placed down the third-base line, came off reliever Kent Tekulve, who had walked the bases loaded. The Phillies had rallied from a 5-0 deficit.

Astros 5, Reds 4: Phil Garner singled home pinch-runner Dickie Thon with one out in the bottom of the ninth to beat Cincinnati in Houston. Reliever Dave Smith had allowed a game-tying home run by Nick Esasky in the top of the inning.

Padres 6, Braves 3: In San Diego, Kevin McReynolds homered and Graig Nettles collected three hits against Atlanta.

Dodgers 5, Giants 1: Rookie Mariano Duncan went 4-for-5 in San Francisco, hitting a two-run homer. Jerry Reuss struck out four and yielded six hits before leaving the game in the sixth inning.

Royals 4, Blue Jays 2: In the American League, Hal McRae drove in two runs in Toronto and Lynn Jones collected four singles to back Charlie Leibrandt's eight-hit pitching for Kansas City.

Leibrandt struck out seven and walked four while picking up his sixth complete game. He lost a bid for his third shutout when Lloyd Moseby hit a two-out, two-run homer in the ninth.

The Blue Jays squandered numerous scoring opportunities, stranding 10 base runners. They loaded the bases with one out in the second, but Leibrandt struck out Gary Allenson and induced Tony Fernandez to fly out to end the threat.

Yankees 5, Red Sox 4: Boston reliever Bob Stanley walked Willie Randolph with the bases loaded and two out in the 10th inning in New York. Randolph walked on four pitches; after the fourth ball, Stanley charged the home plate umpire, Drew Coble, to argue to the calls.

Tigers 3, Indians 2: Rookie Nelson Simmons' sacrifice fly in the eighth inning beat Cleveland in Detroit. The Tigers' Juan Berenguer, making his first start since May 16, allowed one hit and struck out eight over the first 5⅓ innings before yielding two runs on three hits.

Brewers 3, White Sox 2: In Milwaukee, Ben Oglivie doubled home the tie-breaking run in a two-run eighth and Ray Burris held Chicago to six hits. Burris struck out seven and walked three for his fifth complete game.

Mariners 6, Twins 5: Gorman Thomas hit a tie-breaking single and scored on Jim Presley's double in the eighth as Seattle won in Minneapolis.

Orioles 4, Rangers 2: In Baltimore, Mike Young's three-run homer in the sixth beat Texas.

Angels 5, A's 2: Brian Downing's three-run homer during a four-run third beat Oakland in Anaheim, California. Left-hander John Candelaria scattered seven hits over the first six innings to improve his record to 2-0 since he was acquired from Pittsburgh. *(AP, UPI)*

Reuters-UPI

Tim Flannery, the Padres' second baseman, was upset that Claudell Washington of the Braves had stolen the base.

Guidry Wins Again, Yanks Close on Jays

Compiled by Our Staff From Dispatches

NEW YORK — The Yankees, winning for the 10th time in their last 11 games, moved to within five games of Toronto in the American League East on Saturday with a 3-1 victory over the Boston Red Sox while the Blue Jays were losing to the Kansas City Royals.

Kansas City remained in second place in the AL West, 2½ games back of California.

Dave Winfield hit a two-run triple in New York's three-run second inning as Ron Guidry, 16-4, won for the 15th time in his last 16 decisions. Guidry pitched 6⅔ innings before Brian Fisher came on to strike out Jim Rice with two men on base and earn his sixth save, blanking the Red Sox the rest of the way.

"I think the people are kind of feeling it," the pennant fever, "around here," said New York's Don Mattingly, who extended his hitting streak to 15 games and drove in his AL-leading 96th run. "The last two games," the fans are "getting up and getting crazy in the first couple of innings. I can feel it, I know that."

SATURDAY BASEBALL

Royals 4, Blue Jays 2: Danny Jackson and Dan Quisenberry pitched a five-hitter in Toronto and Lonnie Smith's bloop single scored two runs for Kansas City. Jackson tied a club record by striking out six straight batters. Quisenberry finished for his league-leading 28th save.

White Sox 12, Brewers 7: Harold Baines went 5-for-6 in Milwaukee, scored two runs and drove in three, to help Chicago end a three-game losing streak. It was Baines' first five-hit game in five years in the majors.

Twins 2, Mariners 0: Bert Blyleven pitched a three-hitter in Minneapolis and Kent Hrbek hit a two-run homer to beat Seattle. Blyleven struck out eight and walked four; since rejoining the Twins on Aug. 1 in a trade with Cleveland he has gone 3-1.

Orioles 9, Rangers 2: In Baltimore, Mike Young, the hottest home run bat in the majors, hit a three-run shot and a two-run double against Texas. It was Baltimore's fifth straight victory, its longest winning streak this season.

Tigers 7, Indians 5: Lance Parrish went 3-for-4 in Detroit and drove in two runs against Cleveland.

Angels 9, A's 5: In Anaheim, California, Reggie Jackson moved into eighth place on the home run list with his 522d, and drove in four runs against Oakland. Jackson's homer put him ahead of Ted Williams and Willie McCovey.

Mets 4, Pirates 3: In the National League, Darryl Strawberry tied the score in Pittsburgh with a two-run homer and later in the seventh inning Tom Paciorek hit a two-run triple as New York, winning for the 11th time in its last 13 games, regained a tie for first place in the East. Sid Fernandez held the Pirates to four hits and struck out 11 over 8⅓ innings.

Expos 5, Cardinals 4: Pinch-hitter Jim Wohlford's ninth-inning, two-out triple off Ken Dayley scored Vance Law to give Montreal its victory in St. Louis.

Reds 8, Astros 0: In Houston, Tom Browning scattered six hits, Dave Concepcion hit his sixth career grand slam and Cincinnati's player-manager, Pete Rose, went 3-for-4. Rose needs 17 hits to break Ty Cobb's record of 4,191. He also drew his 1,059th walk to pass Lou Gehrig for 10th place on that list.

Phillies 10, Cubs 4: Darren Daulton hit two of Philadelphia's six home runs in Chicago.

Juan Samuel, Glenn Wilson and Mike Schmidt hit consecutive homers in the seventh and, after Von Hayes struck out, Daulton hit his second of the game.

It was the eighth time Philadelphia has hit six homers in a game, the last time coming on May 17, 1978, in Chicago. For Schmidt, it was his 63d against the Cubs.

Giants 5, Dodgers 2: Joel Youngblood doubled home three runs with one out in the eighth in San Francisco, ending Los Angeles' eight-game winning streak. *(AP, UPI)*

■ Henderson Hurts Shoulder

The Yankees said their center fielder, Rickey Henderson, was held out of the lineup Saturday because of a right shoulder jammed during Friday night's game, United Press International reported.

There were reports that Henderson, the American League's third-leading hitter at .349 entering the game, had not paid a $100 fine to the league and was prohibited from playing until the matter was settled. But Bob Fishel, the league's executive vice president, said Henderson had paid the fine.

Henderson hurt his shoulder in the fourth inning Friday night. Bill Buckner hit a long fly to right-center that Henderson caught on the run before hitting the wall.

'Game-Winning' RBI: Are They?

New York Times Service

NEW YORK — It seems almost certain that Keith Hernandez of the New York Mets will set a major league record before the season is out, but he as closes in on the mark, the cry from baseball's statistical skeptics is a resounding "So what?"

The skeptics have nothing against Hernandez. What they question is the significance of the record he is chasing: most game-winning runs batted in during a season. With 19 so far and 48 games to go, Hernandez seems a cinch to surpass the 22 credited to Harold Baines of the Chicago White Sox in 1983. That now stands as the record, records of "game-winning" RBI having been kept only since 1980.

The problem with the statistic, according to skeptics, is that the grandiose name suggests more than it measures. By official definition, a game-winning run is one that puts a team ahead for good — a standard, skeptics point out, that gives as much weight to a first-inning single that pushes across the first run of an 11-0 rout as it does to a truly "game-winning" ninth-inning grand slam that turns a 3-0 deficit into a 4-3 victory.

Some have suggested that a more meaningful statistic would limit the "game-winning" designation to runs produced after the sixth inning.

How does Hernandez measure up to this standard? About how skeptics would expect. According to a game-by-game breakdown provided by the Mets, only 3 of his 19 game-winning hits came after the sixth inning: a seventh-inning single that ended a 4-4 tie and led the Mets to a 7-5 victory over the Cincinnati Reds on July 8; a ninth-inning sacrifice fly that turned a 1-1 tie into a 2-1 victory over the Pirates on April 16 and a ninth-inning single that produced a 1-0 victory over the Phillies on April 19.

Of the others, one came in the fifth inning, five in the third, one in the second and nine, almost half his total, in the first inning.

If Hernandez seems untroubled by such quibbles, it may be because he has heard it all before. In 1982, when with the St. Louis Cardinals, he led the National League, along with Jack Clark, then of the Giants, with 21 game-winning RBI, a total that is still the National League mark.

SCOREBOARD

Baseball

Major League Line Scores

FRIDAY'S RESULTS

NATIONAL LEAGUE

Philadelphia 000 002 030—5 9 0
Chicago 302 000 01x—6 12 1

Rowley, Andersen (5), Rucker (6), Shipanoff (7), Tekulve (8) and Virgil; Botelho, Gumpert (6), Smith (8) and Davis. W—Smith, 6-4. L—Tekulve, 4-8. HRs—Philadelphia, Samuel (11), Virgil (16). Chicago, Cey (15).

New York 000 000 010—1 9 1
Pittsburgh 020 020 03x—7 13 1

Lynch, German (6), Sisk (7) and Hurdle; Rhoden and Pena. W—Rhoden, 7-13. L—Lynch, 10-6. HR—Pittsburgh, Madlock (7).

Montreal 000 000 010—1 4 0
St. Louis 030 210 00x—6 9 0

Laskey, Lucas (4), St. Claire (6), Burke (8) and Nicosia; Forsch and Porter. W—Forsch, 5-5. L—Laskey, 5-12. HRs—St. Louis, Clark (21), Landrum (3).

Cincinnati 001 100 101—4 9 1
Houston 000 013 001—5 8 1

Soto, Franco (7), Power (9) and Diaz; Knepper, Smith (7) and Bailey. W—Smith, 6-4. L—Power, 4-3. HRs—Cincinnati, Esasky (12). Houston, Bailey (9), Walling (5), Bass (11).

Atlanta 002 001 000—3 9 0
San Diego 021 100 20x—6 11 2

Mahler, Camp (6), Garber (8) and Cerone, Benedict (9); Hawkins, McCullers (6) and Kennedy. W—Hawkins, 15-4. L—Mahler, 16-11. Sv—McCullers (2). HR—San Diego, McReynolds (12).

Los Angeles 100 020 200—5 9 1
San Francisco 000 010 000—1 7 0

Reuss, Howell (7) and Yeager; Blue, Minton (7), Jeffcoat (7) and Brenly. W—Reuss, 11-7. L—Blue, 5-6. Sv—Howell (12). HR—Los Angeles, Duncan (4).

AMERICAN LEAGUE

Kansas City 300 010 000—4 13 1
Toronto 000 000 002—2 8 0

Leibrandt and Sundberg; Key, Acker (5), Musselman (8), Caudill (9) and Allenson. W—Leibrandt, 11-6. L—Key, 9-5. HR—Toronto, Moseby (9).

Cleveland 000 002 000—2 4 0
Detroit 200 000 010—3 8 0

Heaton, Thompson (8) and Bando; Berenguer, Lopez (6) and Parrish. W—Lopez, 3-7. L—Heaton, 6-13.

Texas 010 001 000—2 8 0
Baltimore 000 103 00x—4 4 0

Russell, Mason (6), Harris (6) and Petralli; D. Martinez, Aase (7) and Pardo. W—D. Martinez, 9-7. L—Russell, 0-3. HRs—Texas, Johnson (12). Baltimore, Young (18).

Chicago 000 020 000—2 4 0
Milwaukee 000 001 02x—3 5 1

Davis, Wehrmeister (8), Agosto (8) and Fisk; Burris and Moore. W—Burris, 7-9. L—Wehrmeister, 1-1. HR—Chicago, Kittle (14).

Boston 001 002 100 0—4 8 0
New York 002 000 101 1—5 11 0
(10 innings)

Boyd, Crawford (8), Stanley (10) and Gedman; Cowley, Bordi (7), Shirley (7), Fisher (9), Righetti (10) and Hassey, Wynegar (9). W—Righetti, 8-7. L—Crawford, 5-3. HRs—Boston, Gedman 2 (11). New York, Pagliarulo (12).

Seattle 000 102 030—6 7 2
Minnesota 210 000 002—5 9 0

Swift, Lazorko (5), Vande Berg (7), Nunez (8) and Kearney, Scott (8); Schrom, Howe (6), Davis (8) and Salas, Laudner (9). W—Vande Berg, 2-1. L—Howe, 1-1. Sv—Nunez (14).

Oakland 020 000 000—2 9 1
California 004 010 00x—5 6 0

Birtsas, Langford (3), Mura (7) and Heath; Candelaria, Cliburn (7) and Boone. W—Candelaria, 2-0. L—Birtsas, 9-3. Sv—Cliburn (4). HR—California, Downing (14).

SATURDAY'S RESULTS

AMERICAN LEAGUE

Seattle 000 000 000—0 2 0
Minnesota 000 020 00x—2 6 0

Wills and Scott; Blyleven and Salas. W—Blyleven, 12-12. L—Wills, 4-5. HR—Minnesota, Hrbek (16).

Kansas City 100 000 030—4 7 0
Toronto 000 000 200—2 5 0

Jackson, Quisenberry (8) and Wathan, Sundberg (8); Alexander, Henke (8) and Whitt, Allenson (8). W—Jackson, 11-7. L—Alexander, 12-7. Sv—Quisenberry (28).

Boston 001 000 000—1 9 1
New York 030 000 00x—3 8 2

Nipper, Clear (8) and Gedman; Guidry, Fisher (7) and Hassey. W—Guidry, 16-4. L—Nipper, 7-9. Sv—Fisher (6).

Chicago 340 110 012—12 15 1
Milwaukee 120 200 002—7 12 2

Nelson, Spillner (4), Gleaton (9) and Fisk; Cocanower, McClure (2), Haas (3), Waits (7), Searage (9) and Schroeder. W—Spillner, 3-2. L—Cocanower, 3-2. HRs—Milwaukee, Yount 2 (15).

Texas 110 000 000—2 9 0
Baltimore 006 300 00x—9 16 1

Hooton, Welsh (3), Henry (5), Mason (7), Schmidt (8) and Brummer; McGregor and Dempsey. W—McGregor, 10-10. L—Hooton, 5-7. HRs—Texas, Stein (1). Baltimore, Young (20).

Cleveland 100 100 021—5 8 1
Detroit 106 000 00x—7 11 2

Wardle, Clark (3) and Bando; Tanana, O'Neal (9) and Parrish. W—Tanana, 7-11. L—Wardle, 4-5. Sv—O'Neal (1). HRs— Cleveland, Franco (5), Carter (7), Butler (5).

Oakland 000 400 100—5 7 1
California 052 200 00x—9 11 1

Codiroli, Krueger (3), McCatty (4), Atherton (8) and Heath; Witt, Slaton (7) and Boone. W—Witt, 10-7. L—Codiroli, 10-10. Sv—Slaton (1). HRs—Oakland, Collins (4). California, Jackson (19).

NATIONAL LEAGUE

Philadelphia 010 202 500—10 15 0
Chicago 000 011 110—4 8 0

Denny and Daulton; Sorensen, Brusstar (6), Frazier (7), Meridith (8) and Lake, Davis (9). W—Denny, 8-9. L—Sorensen, 3-4. HRs—Philadelphia, Samuel (12), Wilson (11), Schmidt (21), Daulton 2 (3), Schu (5). Chicago, Dernier (1), Durham (12).

Los Angeles 101 000 000—2 9 2
San Francisco 000 110 030—5 7 1

Honeycutt, Diaz (7), Castillo (8) and Scioscia; Hammaker, Garrelts (8) and Trevino. W—Garrelts, 7-3. L—Diaz, 3-2. HRs—San Francisco, C.Davis (10), Green (5).

New York 000 000 400—4 10 0
Pittsburgh 100 001 001—3 5 1

Fernandez, McDowell (9) and Carter; Tunnell, Scurry (7), Guante (9) and Pena. W—Fernandez, 5-6. L—Tunnell, 1-6. Sv—McDowell (10). HRs—New York, Strawberry (17). Pittsburgh, Madlock (8).

Cincinnati 400 122 000—8 9 2
Houston 000 000 000—0 6 1

Browning and Diaz; Niekro, Madden (6), Dawley (7), DiPino (8) and Mizerock. W—Browning, 11-9. L—Niekro, 9-10. HRs—Cincinnati, Concepcion (7), Esasky (13).

Montreal 020 001 011—5 11 0
St. Louis 100 000 120—4 7 2

Youmans, Reardon (8), Burke (8), Lucas (9) and Butera, Fitzgerald (9); Tudor, Campbell (8), Dayley (9) and Porter. W—Burke, 8-0. L—Campbell, 3-3. Sv— Lucas (1).

Major League Standings

AMERICAN LEAGUE

East Division

	W	L	Pct.	GB
Toronto	72	44	.621	—
New York	66	48	.579	5
Detroit	62	53	.539	9½
Baltimore	60	54	.526	11
Boston	57	57	.500	14
Milwaukee	52	61	.460	18½
Cleveland	38	77	.330	33½

West Division

	W	L	Pct.	GB
California	67	49	.578	—
Kansas City	63	50	.558	2½
Oakland	61	55	.526	6
Chicago	56	57	.496	9½
Seattle	54	63	.462	13½
Minnesota	53	62	.461	13½
Texas	42	73	.365	24½

NATIONAL LEAGUE

East Division

	W	L	Pct.	GB
New York	70	44	.614	—
St. Louis	70	44	.614	—
Montreal	66	50	.569	5
Chicago	56	58	.491	14
Philadelphia	53	62	.461	17½
Pittsburgh	34	79	.301	35½

West Division

	W	L	Pct.	GB
Los Angeles	69	45	.605	—
San Diego	61	54	.530	8½
Cincinnati	60	54	.526	9
Houston	54	61	.470	15½
Atlanta	49	64	.434	19½
San Francisco	44	71	.383	25½

Skiing

MEN'S WORLD CUP DOWNHILL
(At Las Lenas, Argentina)

1. Karl Alpiger, Switz., 2 minutes, 01.27 seconds
2. Peter Mueller, Switzerland, 2:01.38
3. Marcus Wasmeier, W. Germany, 2:01.73
4. Peter Wirnsberger, Austria, 2:02.22
5. Daniel Mahrer, Switzerland, 2:02.31
6. Rudolf Huber, Austria, 2:02.36
7. Helmut Hoeflehner, Austria, 2:02.40
8. Gerhard Pfaffenbichler, Austria, 2:02.98
9. Marc Girardelli, Luxembourg, 2:02.99
10. Stefan Niederseer, Austria, 2:03.03
11. Bruno Kernen, Switzerland, 2:03.08
12. Todd Brooker, Canada, 2:03.14
13. Giorgio Piantanida, Italy, 2:03.30
14. Harti Weirather, Austria, 2:03.37
15. Douglas Lewis, United States, 2:03.38

POINT TOTALS

1. Karl Alpiger, Switzerland, 50 Points.
2. Peter Muller, Switzerland, 32
3. Markus Wasmeier, West Germany, 25
4. Helmut Hoflehner, Austria, 24.
5. Doug Lewis, United States, 21
6. Marc Girardelli, Luxumbourg, 13.
7. Bruno Kernen, Switzerland, 13
8. Franck Piccard, France, 11
9. Daniel Mahrer, Switzerland, 11
10. Rudolf Huber, Austria, 10.

Tennis

WOMEN
(At St. Louis)
Finals

Chris Evert Lloyd, U.S., def. Hana Mandlikova, U.S., 7-6, 6-4.

(At Mahwah, New Jersey)
Semifinals

Steffi Graf, (5), West Germany, def. Gabriela Sabatini, (7), Argentina, 4-6, 6-0, 6-3

Kathy Rinaldi, (6), U.S., def. Catarina Lindqvist, (8), Sweden, 5-7, 6-2, 6-1

MEN
(At Montreal)
Semifinals

John McEnroe, U.S., def. Jimmy Connors, U.S., 6-2, 6-3.

Ivan Lendl, Czechoslovakia, def. Jimmy Arias, U.S., 6-4, 6-2.

Soccer

English First Division

Birmingham 1, West Ham 0
Coventry 1, Manchester City 1, tie
Leicester 3, Everton 1
Liverpool 2, Arsenal 0
Luton 1, Nottingham Forest 1, tie
Manchester United 4, Aston Villa 0
Queens Park Rangers 1, Ipswich 0
Sheffield Wednesday 1, Chelsea 1, tie
Southampton 1, Newcastle 1, tie
Tottenham 4, Watford 0
W. Bromwich Albion 1, Oxford United 1, tie

Scottish First Division

Celtic 2, Motherwell 1
Clydebank 4, Dundee 0
Dundee United 1, Aberdeen 1, tie
Hibernian 1, Rangers 3
St. Mirren 4, Hearts 2

Auto Racing

Austrian Grand Prix

(At Zeltweg, Austria)

1. Alain Prost, France, McLaren, 52 laps (308.984 kms), 1 hour, 20 minutes, 12.583 seconds, average speed 231.132 kph
2. Ayrton Senna, Brazil, Lotus, 1:20.42.585
3. Michele Alboreto, Italy, Ferrari, 1:20.46.939
4. Stefan Johansson, Sweden, Ferrari, 1:20.51.456
5. Elio De Angelis, Italy, Lotus, 1:21.34.675
6. Marc Surer, Switzerland, Brabham, 1 lap behind
7. Stefan Bellof, West Germany, Tyrrell, three laps
8. Thierry Boutsen, Belgium, Arrows, three laps
9. Huub Rothengatter, Holland, Osella, four laps
10. Patrick Tambay, France, Renault, six laps

Formula One standings:

1. (tied) Alain Prost, France, 50 points and Michele Alboreto, Italy, 50
3. Elio de Angelis, Italy, 28
4. Stefan Johansson, Sweden, 19
5. Keke Rosberg, Finland, 18
6. Ayrton Senna, Brazil, 15
7. Nelson Piquet, Brazil, 13
8. Patrick Tambay, France, 11
9. Jacques Laffite, France, 10
10. Thierry Boutsen, Belgium, 9

Transition

BASEBALL
American League

DETROIT—Signed Randy Nosek, pitcher.

MILWAUKEE—Placed Paul Molitor, infielder, on the 15-day disabled list retroactive to Aug. 13.

N.Y. YANKEES—Waived Omar Moreno, outfielder, for the purpose of giving him his unconditional release. Recalled Dan Pasqua, outfielder, from Columbus of the International League.

National League

CHICAGO—Placed Scott Sanderson, pitcher, on the 60-day disabled list.

PITTSBURGH—Acquired Bob Kipper, pitcher, from the California Angels to complete a six-player trade on Aug. 6. Assigned Kipper to Hawaii of the Pacific Coast League.

EUROPEAN SOCCER

LIVERPOOL—Signed striker Ian Rush to a three-year contract.

Golf

Top finishers and earnings in the Benson and Hedges International tournament in York, England (Par 72):

Sandy Lyle	$38,000	70-69-71-64—274
Ian Woosnam	22,000	70-73-70-62—275
Sam Torrance	10,000	70-67-71-68—276
Rodger Davis	10,000	70-70-67-69—276
Des Smyth	10,000	69-68-71-68—276
Howard Clark	6,800	71-71-69-66—277
Hugh Baiocchi	6,000	70-72-68-68—278
Mark James	4,500	68-73-68-70—279
Mark Mouland	4,500	74-68-68-69—279
Ian Baker-Finch	4,500	73-69-69-68—279
Ken Brown		74-71-66-69—280
Steve Elkington		70-76-68-66—280

Football

CFL Standings

Eastern Division

	W	L	T	PF	PA	Pts
Montreal	5	2	0	160	131	10
Toronto	3	4	0	185	182	6
Ottawa	3	3	0	123	187	6
Hamilton	1	4	0	107	137	2

Western Division

	W	L	T	PF	PA	Pts
Brit Clmb	5	1	0	209	100	10
Edmonton	3	3	0	151	169	6
Saskatchwn	3	3	0	150	135	6
Winnipeg	3	2	0	143	112	6
Calgary	1	5	0	91	163	2

Friday's Result

Montreal 28, Toronto 10

Saturday's Result

Calgary 35, British Columbia 32

NFL Exhibition

Seattle 28, Detroit 3
Indianapolis 24, Chicago 13
Cincinnati 24, New York Jets 20
Cleveland 28, Philadelphia 14
Minnesota 41, Pittsburgh 34
Atlanta 23, Tampa Bay 17
Miami 27, Buffalo 17
New York Giants 10, Green Bay 2
Houston 23, New Orleans 20
New England 31, Kansas City 13
Dallas 27, San Diego 24, OT

Prost Wins Austrian Prix; Lauda to Retire

The Associated Press

ZELTWEG, Austria — Alain Prost of France, driving a McLaren-Porsche, won the Austrian Grand Prix on Sunday for the 20th victory in his career.

Brazil's Ayrton Senna, in a Lotus-Renault, placed second, and the Ferrari of Michele Alboreto of Italy was third. Prost and Alboreto now are tied for first place in the Grand Prix point standings, each with 50 points.

Prost's victory came a day after his teammate, Niki Lauda of Austria, the defending Grand Prix champion, announced that he would retire at the end of this season to devote his attention to his air-transport business.

"During the last 11 years I have spent half my life on the fascination of Formula One, driving through curves at 300 kilometers per hour," Lauda, 36, said. "I have come to the conclusion that it is now time to do something else."

He qualified his decision, however, saying, "Nothing is final in life." He was referring to his return in 1981 after retiring in 1979.

Lauda has won 24 races, second to the former triple world champion, Jackie Stewart of Scotland, who won 27. Lauda won his first two world titles in 1975 and 1977 in a Ferrari, and last year he became world Formula One champion in a McLaren-Porsche.

But in 1985 Lauda has gotten only five points and has dropped out of nine races, including Sunday's.

He led Sunday after the 26th of 52 laps, but dropped out in the 39th lap. He said his engine had lost pressure.

Reuters

Niki Lauda

25 Years Later, Brasília Dismays Its Founders

By Alan Riding
New York Times Service

BRASILIA — Soon after a new civilian government was installed in Brazil in March, the three aging men who designed Brasilia were invited to return here to see what went wrong and what could be put right with their 25-year-old project.

They accepted with enthusiasm. Having been ostracized by the military regime that ran Brasilia for 21 years, the urban planner, Lúcio Costa, 83; the architect, Oscar Niemeyer, 77; and the landscape artist, Roberto Burle Marx, 76, immediately blamed the former dictatorship for mistakes in the young city's upbringing.

"We're lucky that all three are still active," said the capital's new governor, José Aparecido de Oliveira. "Those who say Brasilia was built to be beautiful but not functional are wrong. The military rulers did not try to keep Brasilia alive. They accepted it as a fact but without conviction or enthusiasm."

Asked to "rethink" Brasilia, its three "parents" have much to contemplate. They expected a population of 600,000 by 2000, but in 1985 Brasilia has 1.6 million inhabitants, two-thirds of them in eight dormitory shantytowns nicknamed "anti-Brasilias."

They had designed a political capital, but it operated more like a headquarters for a succession of military regimes, an arena for orders rather than debate. And, with no one protesting, new construction was permitted with little regard for the original blueprint.

Niemeyer was the first to arrive, and he immediately requested the removal of a huge metal flagpole put up in 1972 in front of the presidential palace. He said it disrupted the harmony of the Plaza of Three Powers. In its place, he proposed a Pantheon of Heroes, which he quickly designed.

Accompanied by Oliveira, he visited the cathedral and suggested new windows to create the effect he had intended. He said unused land beside and opposite the cathedral could accommodate his long-shelved plans for a ministry of culture, city museum, national library and national archives.

Niemeyer, a longtime Communist, could do little about the tall new Banco do Brasil building, which, he said, violates all regulations and plans. "This much it does," he said: "It reminds us of the power of money, of the money so badly distributed in this country."

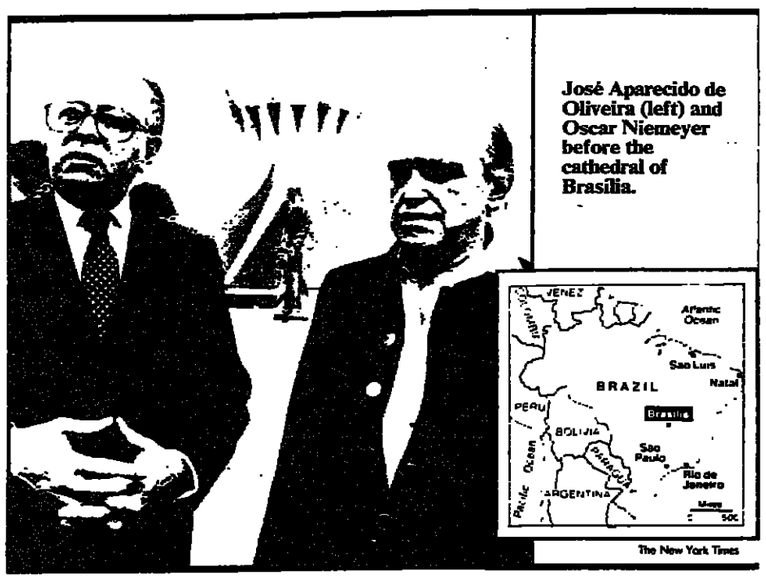
Foreign diplomats are dismayed by assignment to Brasilia and politicians flee to Rio de Janeiro, São Paulo or hometowns on weekends. As a result, the character of Brasilia — of the Pilot Plan, as the designed urban area is still known — has been largely shaped by bureaucrats.

For those with families, Brasilia has appeal. It brings a life untroubled by traffic jams or pollution. It is largely free of the crime that convulses other Brazilian cities, and it offers a healthy environment for children. "I can go home for lunch every day and have a snooze," a government official said.

Complaints from well-settled migrants are rarely of an aesthetic nature. "On a plain with a lot of sun, a city of glass was constructed," a Brazilian diplomat noted. "This forces you to have air conditioning 300 days a year. You also have to put up curtains, so lights are always on."

For newcomers, the city seems unwelcoming. Its central area of wide avenues and myriad ministerial buildings, with few trees and fewer pedestrians, is like a body without a soul. The rest is divided into sectors — of hotels, banks, embassies, apartment blocks, mansions — that seem the antithesis of natural urban growth. "It reminds me of a mixture between Pyongyang and Dallas," a newly arrived foreigner said.

Social life is a particular problem. In each residential section, there is a street with a row of stores that, by design, includes a bakery, a butcher, a pharmacy, a dry cleaner and so on. But it rarely serves as a gathering point for locals. That must take place in private homes and clubs. "The divorce rate is higher than elsewhere," said an official in his ninth year of residence and his third marriage. "The city doesn't have many outside stimuli. It forces you to think."



José Aparecido de Oliveira (left) and Oscar Niemeyer before the cathedral of Brasilia.

The New York Times

In the final years of the military regime, Brasilia became known as a capital of *mordomias*, as the practice of living well off public coffers became known. "It was a tropical Versailles, a privileged dependent of the rest of the country," Oliveira said.

Without the checks and balances of a strong Congress, senior bureaucrats and pro-government politicians determined their own rewards, nepotism flourished and many corruption scandals remained uninvestigated even after being exposed by news organizations.

During the campaign preceding an electoral college vote to pick a civilian president in January, opposition parties repeatedly attacked the military regime on the *mordomia* issue, focusing on the 41 state-owned mansions that were occupied rent-free by cabinet ministers. These, the campaign slogans said, would be immediately sold.

The new government has been plagued by this pledge. Several ministers took over the homes occupied by their predecessors, albeit agreeing to pay rent. Others, more sensitive to public opinion, took modest apartments, even though "their" mansions were left empty. In June, the government said two mansions would be offered for sale to test the market.

The political need to exhibit the *mordomias* of the past, however, was satisfied by allowing reporters inside the government-owned ranch long occupied by the former president, General João Baptista Figueiredo. A stable for 36 horses, kennels for 15 dogs, a sauna, a gymnasium, a beauty salon, a movie theater and extensive living quarters on about 100 acres (40 hectares) of land were immediately made public.

After the new president-elect, Tancredo Neves, died April 21 without taking office, his successor, José Sarney, announced pointedly that he would take up residence in the official Alvorado Palace; the last two presidents' wives had refused to live there because faulty air conditioning wafted kitchen smells into reception areas.

From the time of its construction in the late 1950s, Brasilia had served as a magnet for poor migrants from the northeast. They found jobs on construction sites and built shacks nearby. Even before it was inaugurated, the capital seemed destined to mirror the urban problems of other large cities. So the poor were told to move — literally out of sight — to satellite towns 10 to 20 miles away.

More than a million people now live in these towns, spending up to one-third of their wages commuting to the Pilot Plan. Housing shortages are acute, with as many as five families living on a single plot. And as the country's economic crisis has slowed construction, the number of unemployed has grown.

Now, paradoxically, the social price of building a nonindustrial capital may be paid by drawing industry — and new jobs — to Brasilia. "We can find factories that don't affect the environment," Oliveira said. "For the people who came here, we have to make sure that the dream does not become one more nightmare."

LANGUAGE

Winging It Between the Right and Left

By William Safire

WASHINGTON — A generation ago, people on the political right did not mind being called *right-wingers*. We kind of resented *lunatic fringe*, the great coinage of Theodore Roosevelt, and *little old ladies in tennis shoes* was known to be a knock, but *right wing* had a sassy connotation — even the "moderate" among us counted ourselves as part of a hardy band of conservatives, murmuring "I'd rather be right" as we consigned ourselves, legs bowed but heads unbowed, to the clubbiness of permanent-minority status. We could not understand why our counterparts on the liberal side winced when we called them *left-wingers*.

Then everybody got into the conservative act. Some of us resented having to share our resentments, but nobody could dispute that the political center of gravity shifted in both parties. Suddenly most right-wingers started calling themselves *rightists* or *neo-cons*, short for *neo-conservatives*. At the same time, *right-winger* lost its appeal to right-wingers: it became the term used by those on the left to attack us, and instead of reveling in that attention, we took umbrage.

The problem is in the *wing*. When the left was predominant (Franklin Delano Roosevelt's self-description was "a little left of center"), the *left-winger* label was resented because it smacked of radicalism, beyond left to *pinko* and *fellow traveler*. In the same way, when the right became predominant, many on the right became eager to dissociate from the *nuts and kooks, troglodytes, Neanderthals* and *nuke-'em-back-to-the-Stone Age* extremists.

The political right, hard and soft, old and new, is sensitive to the use of language by ideological opponents. Neo-con Daniel Patrick Moynihan, a soft-right, near-left Democrat, objected years ago to the Communist assumption of such words as *people's, democratic, peace-loving* and *liberation*, and launched a counterattack in the United Nations and in the United States Senate to recapture *democracy* from totalitarians and *peace* from the bellicose. *Imperialist* was tacked on to Soviet moves, and *liberation* was liberated to be used liberally on our liberators. No longer did we concede vocabulary victory to the other side.

That was satisfying, but now a new and more subtle phase of the right's language awakening is under way. The linguistic battleground is no longer merely between East and West; the new target for rightists is the leftists' hitherto-unchallenged lingo. (Note the clipping of both *wings* and the assumption of the suffix *ist*, as in *centrist*. The *center-winger* has not yet appeared.)

Defense Secretary Caspar W. Weinberger, in a speech to Margaret Thatcher and other members of the International Democrat Union assembled by the right-winger Richard Allen, launched the linguistic counteroffensive last month. The name of the game being exposed is *moral equivalence*, sometimes called *moral symmetry;* those are attack phrases on the position of those who loftily try to put the Good Guys and the Bad Guys in the same bag.

An inversion of the meaning of words, says Cap, is "the connotation that is always assigned to the term *arms race*." "It's flatly false," because "it clouds the distinction between the reasons why we arm and the reasons the Soviets arm. *Arms race* doesn't focus on the difference between arming for aggressive, offensive military action and intimidation and, on the other hand, building defenses to protect the freedoms we have." This "rather flip diminishment" — the phrase, *arms race* — "implies that our efforts to counter the military threats that we face are really devoid of philosophical impulse, empty of any broader significance than a sporting event."

Let's think about that: Ask anybody "Are you for an arms race?" and the answer is "No." Change that to "Must we counter the Soviet buildup?" and the answer is likely to be "Yes." That suggests that *arms race* is an effective pejorative characterization of the defense efforts of both superpowers. You never hear righties using the phrase *arms race;* it's a term used by anti-hardliners, which includes neutralists, doves, leftists, and the group denounced by the right-minded with the mouthfilling derogation *unilateral disarmers*.

SUPERPOWER is another word that turns off our defense secretary: "It's become widespread practice, especially in Western Europe, to refer to the United States and the Soviet Union together as superpowers." That's O.K. if the word is used as shorthand for the militarily strong, but "its frequent repetition implies that the Great Divide in international affairs is between superpowers and all the other nations, rather than between democrats and totalitarians."

That catchall term *superpower*, says Weinberger, "implies that the essential characteristic of the United States is its military power rather than the political and economic freedom of its people." Here's the point: "In lumping together the United States and the Soviet Union in that single term *superpower*, one promotes the debilitating and essentially false notion of . . . moral symmetry between East and West."

Moral symmetry and *moral equivalence* (the phrase is from "The Moral Equivalent of War," a 1910 essay by the pragmatic William James), is the rightist's description of a position that superficially equates the United States and the Soviet Union. For example, when a critic of U.S. policy in Central America compares U.S. pressure against Nicaragua to the Soviet intervention in Afghanistan, or when the Israeli attack on the Palestine Liberation Organization in Lebanon is equated with the PLO's campaign of terror in the last decade, many on the political right call that the practice of falsely asserting *moral equivalence:* Although fighting is fighting, to ignore the moral chasm between fighting to achieve freedom and fighting to impose tyranny is to pretend that no difference exists between right and wrong.

For *superpower*, "The earliest citation for the meaning you have in mind," reports lexicographer Robert Burchfield of Oxford, "which is 'a nation or state having a dominant position in world affairs,' and usually refers to the United States and the Union of Soviet Socialist Republics, is a 1944 book by William T. R. Fox entitled 'The Super-Powers.'" Fox is a professor of political science at Columbia University. His classic line: "There will be 'world powers' and 'regional powers.' These world powers we shall call 'super-powers' in order to distinguish them from the other powers . . . whose interests are great in only a single theater of power conflict."

Great word, Fox; now, who came up with the *arms race?*

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